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Workplace gazette

An Industrial Relations
Quarterly

Volume 7, No. 1

Spring 2004

- Competitiveness and Collective Bargaining in Canada
- Creating a Respectful Workplace—A Successful Approach in Saskatoon, Saskatchewan



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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Spring 2004 issue includes annual and fourth quarter data for 2003 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the fourth quarter 2003 and information on work stoppages for the fourth and third quarters of 2003. An overview of selected provisions highlights indirect compensation in collective agreements. Innovative practices in the workplace resulting from collective bargaining are summarized.

An overview of ongoing Labour-Management Partnerships Program initiatives is described and a case study on creating a respectful workplace in Saskatoon, Saskatchewan is featured. An article by J. Rose considers the impact of competitiveness on collective bargaining in Canada. Finally, a report on the annual meeting of Labour ministers concerning globalization and international labour cooperation agreements is presented.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on workplace diversity.

Finally, Yesterday and Today looks at pension plans.

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*The content of this publication has been prepared by members of
The Canadian Association of Professional Employees and the Public
Service Alliance of Canada.*

MAJOR WAGE SETTLEMENTS*

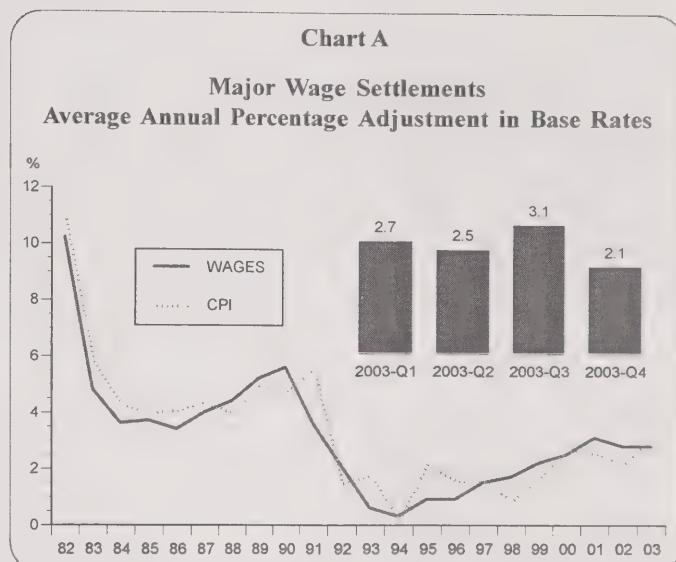
Annual and Fourth Quarter 2003

Summary

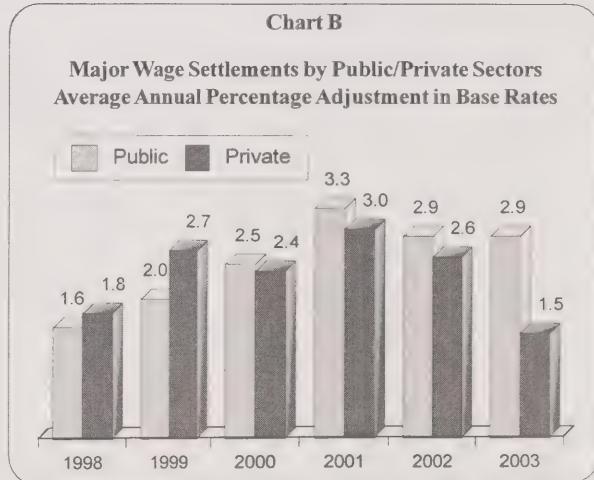
- Major collective bargaining settlements reached in 2003 provided base-rate wage adjustments averaging **2.6 per cent** annually over the contract term, a decrease from the 2.8 per cent average for the year 2002.
- The results of the year 2003 are based on a review of 337 settlements reached, and cover 616,710 employees.
- The average wage adjustment in 2003 was fractionally below the average in contracts they replaced. When the parties to these settlements last negotiated, the resulting wage adjustments averaged 2.7 per cent, compared to the 2.6 per cent in their 2003 contracts.

Public and Private Sectors

Wage gains in the public sector were below those in the private sector throughout the 1990's. Since the year 2000, private sector increases have been lower than those in the public sector. Wage adjustments in the **private sector** averaged **1.5 per cent** in 2003, compared to **2.6 per cent** in the previous year. The 1.5 per cent can be attributed in part to the relatively modest wage settlements in the wholesale and retail trade sector and also the wage freeze or cuts in the high profile Air Canada agreements.



Source: Workplace Information Directorate.



Source: Workplace Information Directorate.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Excluding these three Air Canada settlements, average wage adjustments for the remaining agreements in the private sector would increase to 2.0 per cent, from the 1.5 per cent figure. Wage adjustments in the **public sector** averaged **2.9 per cent** in 2003, the same as in the previous year.

Contract Duration

Contract duration averaging 35.4 months in 2003, has returned to its previous levels (above 30 months). The contract duration of 29.4 months in 2002, the shortest since 1994, was due in large part to the signing of the numerous collective agreements in the Quebec public and parapublic sectors, with contract durations of under 12 months, and to a lesser extent, the ratification of many contracts of 12 months duration in the Ontario education sector. Since the early 1990's, average contract duration in the public sector has always been shorter than in the private sector; contract duration in the public sector averaged 32.8 months and in the private sector, 44.3 months.

The Alberta private sector had the longest average contract duration at 66.2 months. The longest

average effective term in public sector agreements ratified in 2003 was in New Brunswick, recording average contract duration of 51.2 months. On an industry basis, the longer-term settlements were in the trade industry, averaging 50.7 months and the construction sector followed closely in second place at 44.2 months.

Cost-of-Living Allowances (COLA)

The incidence of COLA clauses increased over last year. In 2002, only 9.3 per cent of new settlements had a COLA clause, whereas in 2003, the figure increased to 15.4 per cent. The incidence of COLA clauses had in fact declined over the years; 32.6 per cent of agreements reached in 1990 contained a COLA clause, but by the year 2000 the figure had dropped to 7.7 per cent.

Distribution of Wage Adjustments

In 2002, only 0.9 per cent of all employees were subject to a wage freeze. There were no wage cuts. In 2003, 10.2 per cent of employees were subject to a wage freeze or cut in nine settlements (of these contracts only two contained wage cuts). The most

Distribution of Agreements and Employees by Range of Wage Adjustments

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Less than 0%	2	0.6	21,470	3.5
0% (no increase)	7	2.1	41,300	6.7
Over 0% to 0.9%	7	2.1	7,340	1.2
1.0% to 1.9%	29	8.6	74,200	12.0
2.0% to 2.9%	116	34.4	159,430	25.9
3.0% to 3.9%	133	39.5	252,160	40.9
4.0% to 4.9%	35	10.4	51,540	8.4
5.0% to 5.9%	3	0.9	2,310	0.4
6.0% to 6.9%	5	1.5	6,960	1.1
ALL LEVELS	337	100.0	616,710	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

prominent settlements in this group were three Air Canada contracts covering 28,530 employees.

A very large concentration of employees (40.9 per cent) received wage increases in the 3.0 to 3.9 per cent range. Approximately 26 per cent of employees received increases of 2.0 to 2.9 per cent. Just slightly over 13 per cent of employees received increases of 0.1 to 1.9 per cent. Slightly under 10 per cent of employees received wage gains of 4.0 per cent and over.

Region/Jurisdiction

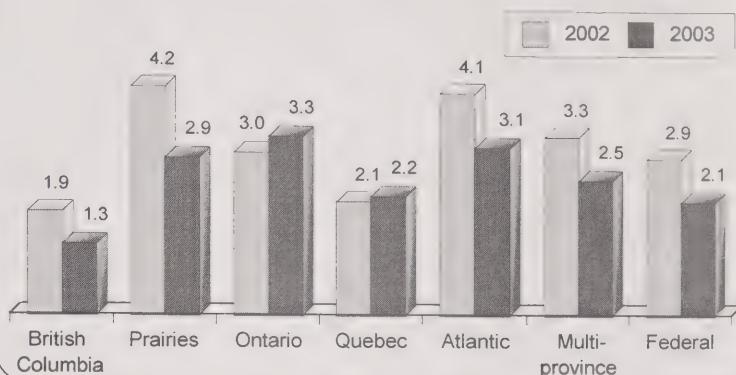
The largest concentration of settlements in 2003 was in **Ontario**: 142 agreements (42.1 per cent of the total) provided 215,270 employees (34.9 per cent of the total) with wage increases averaging **3.3 per cent**. This percentage was the same as that recorded in **Nova Scotia** which was the largest average increase in wages for major settlements within the various Canadian jurisdictions. The smallest average wage figure was recorded in **British Columbia**, at **1.3 per cent**. Wage increases in the **Atlantic Provinces** averaged **3.1 per cent**, in the **Prairie provinces**, **2.9 per cent** and in the **Federal jurisdiction**, **2.1 per cent**.

Industry

On an industry basis, the largest average wage increase was in **education, health and social services**, at **3.4 per cent**. The second largest wage gains were in **primary industries** and in **finance and professional services**, both at **2.7 per cent**. Settlement levels in all remaining industry groups stood below 2.7 per cent. The smallest average wage increase was reported in **wholesale and retail trade** at **1.3 per cent**.

Chart C

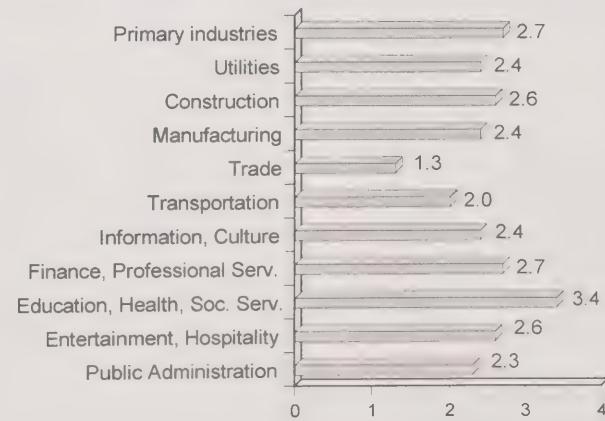
Major Wage Settlements by Region/Jurisdiction Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Chart D

Major Wage Settlements by Industry Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate.

Fourth Quarter 2003

- A total of 78 agreements were settled in the **fourth quarter 2003**, providing some 140,030 employees with average base rate increases of **2.1 per cent**.
 - When the parties to these settlements previously negotiated, contract duration averaged 38.2 months and the resulting wage adjustments averaged 2.7 per cent, compared to the 2.1 per cent in their current round of settlements and average contract duration of 36.5 months.
 - Wage gains in the fourth quarter were lower in the **private sector (1.6 per cent)** than in the **public sector (2.3 per cent)**.
 - On a **regional/jurisdictional** basis, the largest concentration of employees (37.7 per cent of all employees covered) and the lowest wage adjust-
- ments (0.8 per cent average wage increase) were in British Columbia. The largest wage increases were recorded in Alberta (3.5 per cent). Wage adjustments in the fourth quarter were: Atlantic Provinces, 2.6 per cent; Quebec, 2.4 per cent; Ontario, 2.9 per cent; Prairie Provinces, 2.9 per cent; British Columbia, 0.8 per cent; and Federal Jurisdiction, 3.1 per cent.
- On an **industry basis**, wage increases in descending order of magnitude were: finance, 4.0 per cent; education, health, social services 3.6 per cent; construction, 3.3 per cent; utilities, 2.8 per cent; information and culture, 2.8 per cent; manufacturing, 2.6 per cent; entertainment and hospitality, 2.6 per cent; transportation, 2.5 per cent; whole and retail trade, 1.3 per cent; and public administration, 1.3 per cent.

Wage Data for the Year 2003 for Small, Medium and Large Bargaining Units

Among the 503 collective bargaining settlements reached in 2003, 166 settlements were in small bargaining units (between 100 and 499 employees), 269 were in medium bargaining units (500 to 1,999 employees), and 68 were in large bargaining units with 2,000 employees and over.

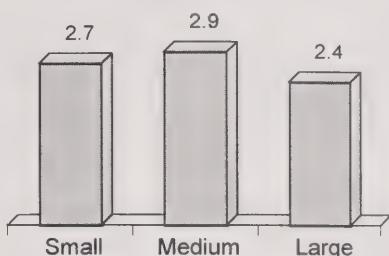
SMALL bargaining units reported an average increase of **2.7 per cent**. **Public sector** settlements provided an average increase of **3.1 per cent**, higher than the **private sector** wage adjustment of **2.4 per cent**. On an industry basis, the **construction** sector had the highest wage adjustment at **4.8 per cent** while the **transportation** sector reported the lowest average at **2.1 per cent**. On a regional/jurisdictional basis, average increases

ranged from a high of **3.5 per cent** in the **Multiprovince** category to a low of **2.0 per cent** in **British Columbia**.

MEDIUM bargaining units reported an average wage increase of **2.9 per cent** in 2003. **Public sector** settlements resulted in an average increase of **3.1 per cent**, compared to the **private sector** figure of **2.4 per cent**. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **3.2 per cent** while the **wholesale and retail trade** sector reported the lowest average at **2.3 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.4 per cent** in **Ontario** to a low of **2.0 per cent** in **British Columbia**.

Chart E

Average Annual Adjustment by Size of Bargaining Units



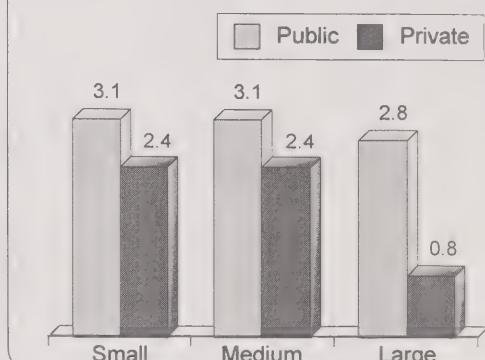
Source: Workplace Information Directorate.

LARGE bargaining units reported a wage increase of **2.4 per cent**. Settlements in the **public sector** resulted in an average increase of **2.8 per cent** compared to **0.8 per cent** in the **private sector**.

The wage reductions and wage freeze at Air Canada last June had an effect on the private sector, transportation and federal jurisdiction annual average adjustments. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **3.6 per cent** while the **wholesale and retail trade** sector reported the lowest increase at **1.1 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.3 per cent** in **Ontario** to a low of **0.8 per cent** in **British Columbia** due to a wage freeze in November for public service employees.

Chart F

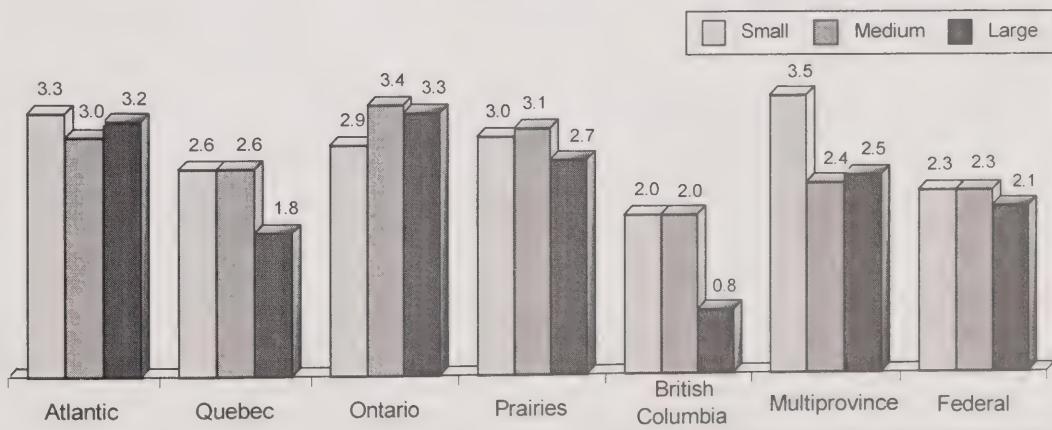
Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors



Source: Workplace Information Directorate.

Chart G

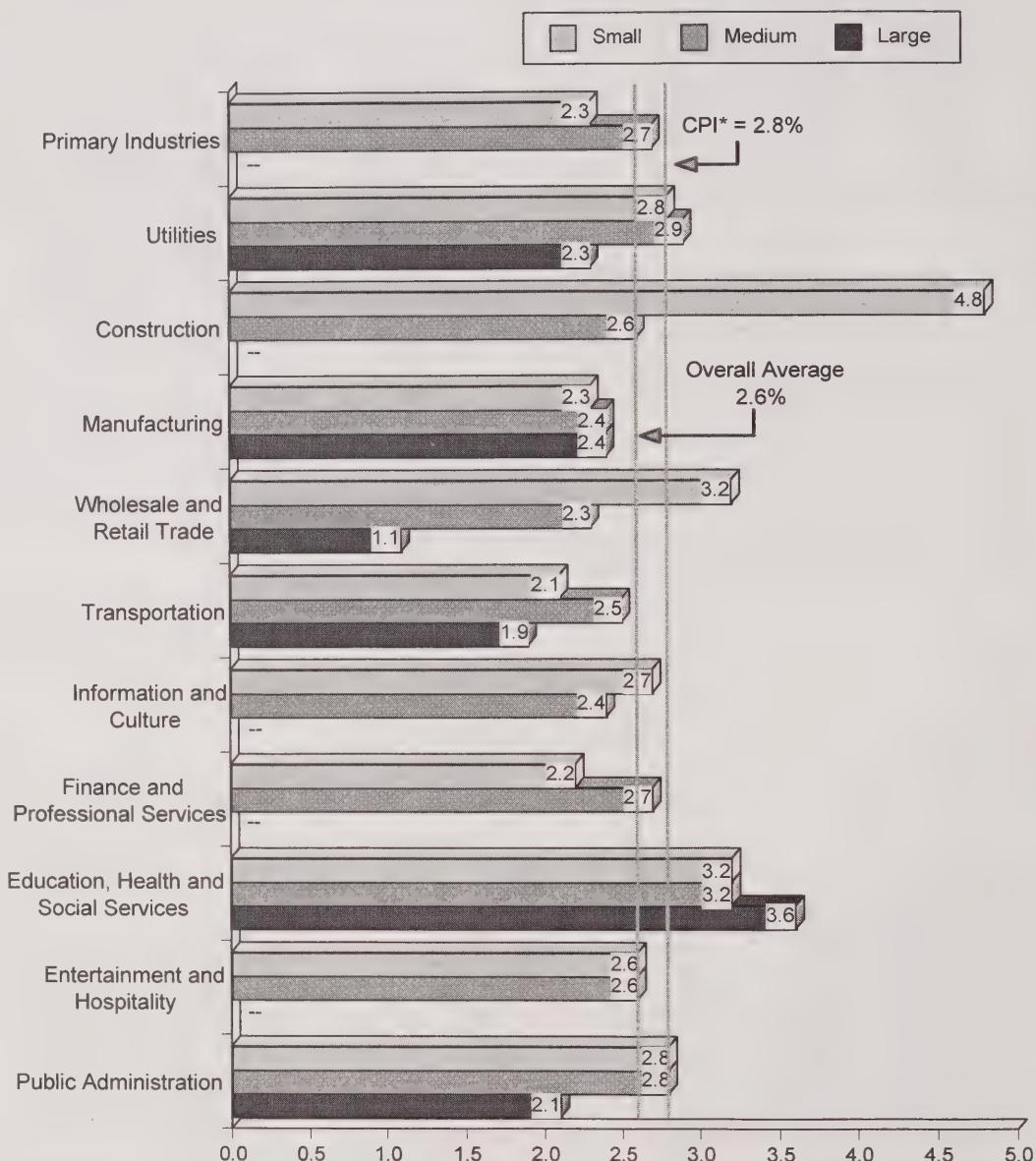
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source: Workplace Information Directorate.

Chart H

**Average Annual Percentage Adjustment by Size of Bargaining Units,
by Industry**



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

Major Settlements Reached in the Fourth Quarter 2003

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Utilities (2 agreements)	3,510	2.8	3.0	36.0	
Manitoba Hydro, office employees, province-wide, Man.	1,030	2.8*	3.0	36.0	2006/03/22
Manitoba Hydro, service and maintenance employees, province-wide, Man.	2,480	2.8*	3.0	36.0	2006/05/31
Construction (2 agreements)	1,200	3.3	0.0	48.0	
Moncton Northeast Construction Association Inc., labourers, Moncton and area, N.B.	600	4.0	0.0	48.0	2006/06/30
Moncton Northeast Construction Association Inc., labourers, Moncton and area, N.B.	600	2.6	0.0	48.0	2006/06/30
Manufacturing (8 agreements)	5,830	2.6	2.2	41.1	
Aventis, plant and maintenance employees, Toronto, Ont.	590	3.1	3.0	35.0	2006/09/06
I.M.P. Group Limited, plant and maintenance employees, Halifax County, N.S.	500	2.0*	2.0	36.0	2006/03/31
Johnson & Johnson Products Inc., hourly-rated employees, Montréal, Que.	580	2.6	2.5	48.0	2007/04/30
Manac, Division of Le Groupe Canam Manac inc., production employees, St-Georges, Que.	550	3.1	3.0	48.0	2007/04/30
Maple Lodge Farms Ltd., production employees, Norval, Ont.	1,200	2.4	2.3	36.0	2006/10/12
Pepsi-Cola Canada Ltd., plant and maintenance employees, St-Laurent, Que.	500	1.4	0.0	36.0	2006/08/31
Prévost Car inc., plant and maintenance employees, Ste-Claire, Que.	1,200	2.9*	2.3	36.0	2006/06/30
Saputo Boulangerie inc., plant and maintenance employees, Ste-Marie-de-Beauce, Que.	710	2.5*	2.4	60.0	2007/12/31
Wholesale and Retail Trade (7 agreements)	33,600	1.3	0.7	49.4	
Canada Safeway Limited, retail employees, province-wide, B.C.	8,000	1.3*	0.0	60.0	2008/03/29
Canada Safeway Limited, retail employees, province-wide, B.C.	2,230	1.3*	0.0	60.0	2008/03/29
Dominion Stores, retail employees, province-wide, Nfld. and Labrador	1,620	2.2	2.2	40.0	2006/12/04
Great Atlantic & Pacific Company of Canada Limited, retail employees, province-wide, Ont.	13,000	1.1	1.5	36.0	2006/09/23
Liquor Control Commission of Manitoba, administrative services employees, province-wide, Man.	550	2.7*	3.0	36.0	2006/03/31
Overwaitea Food Group (Overwaitea Foods and Save-On-Foods), retail employees, province-wide, B.C.	7,500	1.3*	0.0	60.0	2008/03/29
Overwaitea Food Group (Overwaitea Foods and Save-On-Foods), retail employees, province-wide, B.C.	700	1.3*	0.0	60.0	2008/03/29

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Transportation (5 agreements)	8,130	2.5	2.1	40.0	
BC Rail Ltd., maintenance of way employees, province-wide, B.C.	500	0.0	0.0	36.0	2005/12/31
City of Edmonton, bus drivers, Edmonton, Alta.	1,550	3.3	3.0	36.0	2005/12/24
Coast Mountain Bus Company, bus drivers, Vancouver, B.C.	3,400	2.7	2.7	36.0	2007/03/31
Société de transport de Montréal, mechanics, Montréal, Que.	2,030	2.2	1.2	48.0	2007/01/06
Société de transport de Montréal, office employees, Montréal, Que.	650	2.0	1.0	48.0	2007/01/06
Information and Culture (4 agreements)	2,770	2.8	3.0	39.9	
Allstream, telephone operators, Canada-wide	900	2.6	2.5	36.0	2006/12/31
Bravo! CHUM TelevisionInteractive, CityTV, Drive-In Classics, broadcast and TV employees, Toronto, Ont.	650	3.0	4.0	40.0	2006/10/31
Calgary Public Library Board, librarians, Calgary, Alta.	530	3.3	3.0	36.0	2006/03/31
Vancouver Public Library Board, librarians, Vancouver, B.C.	690	2.6*	2.5	48.0	2006/12/31
Finance and Professional Services (2 agreements)	1,250	4.0	4.0	56.2	
Atomic Energy of Canada Limited, engineers, Mississauga, Ont.	550	4.0	4.1	36.0	2005/12/31
Les Caisses populaires du Saguenay-Lac-St-Jean, office employees, Saguenay-Lac-St-Jean-Region, Que.	700	4.0	4.0	72.0	2009/08/31
Education, Health and Social Services (28 agreements)	31,220	3.6	3.4	29.2	
Avon Maitland District School Board, elementary teachers, Seaforth, Ont.	600	3.7	2.8	36.0	2004/08/31
Avon Maitland District School Board, secondary teachers, Seaforth, Ont.	500	3.7	2.8	36.0	2004/08/31
Board of Trustees of the Calgary Board of Education, building maintenance employees, Calgary, Alta.	620	4.0	4.0	24.0	2005/08/31
Capital Care Group, health service employees, Edmonton, Alta.	600	3.7	5.5	24.0	2005/06/30
Carleton University, professors, Ottawa, Ont.	750	5.2	9.6	36.0	2006/04/30
College Compensation and Appointments Council, support employees, province-wide, Ont.	7,000	3.3	3.0	24.0	2005/08/31
District School Board of Niagara, secondary teachers, St. Catharines, Ont.	950	4.1	4.2	24.0	2004/08/31
Dufferin-Peel Catholic District School Board, plant and maintenance employees, Mississauga, Ont.	710	6.6	6.6	12.0	2004/09/30
Durham District School Board, occasional teachers, Whitby, Ont.	930	4.8	6.8	20.0	2004/08/31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Government of Manitoba, health and social care professionals, province-wide, Man.	910	2.7*	3.0	36.0	2006/03/17
Government of New Brunswick, educational services employees, province-wide, N.B.	730	2.5	3.0	60.0	2007/04/30
Grand Erie District School Board, secondary teachers, Brantford, Ont.	800	4.0	4.0	12.0	2004/08/31
Greater Essex County District School Board, secondary teachers, Windsor, Ont.	730	3.4	2.0	36.0	2004/08/31
Halton District School Board, elementary teachers, Burlington, Ont.	1,550	3.9	3.0	24.0	2004/08/31
Health Authorities of Prince Edward Island, health and social care professionals, province-wide, P.E.I.	1,700	3.0	3.2	36.0	2006/03/31
Kawartha Pine Ridge District School Board, occasional teachers, Peterborough, Ont.	570	6.9	0.0	24.0	2004/08/31
Kawartha Pine Ridge District School Board, secondary teachers, Peterborough, Ont.	890	3.5	2.4	36.0	2004/08/31
Lambton Kent District School Board, secondary teachers, Sarnia, Ont.	640	4.1	4.1	24.0	2004/08/31
Limestone District School Board, secondary teachers, Kingston, Ont.	660	3.5	2.4	36.0	2004/08/31
McGill University, office employees, Montréal, Que.	1,450	2.0	2.0	60.0	2007/11/30
Ottawa-Carleton Catholic District School Board, office employees, Nepean, Ont.	620	3.0	3.0	24.0	2005/08/31
Thames Valley District School Board, occasional teachers, London, Ont.	1,200	4.1	3.5	24.0	2004/08/31
Thames Valley District School Board, occasional teachers, London, Ont.	640	3.9	6.7	24.0	2004/08/31
Toronto Catholic District School Board, occasional teachers, Toronto, Ont.	1,100	3.0	3.0	24.0	2004/08/31
Toronto District School Board, occasional teachers, Toronto, Ont.	1,600	3.0	3.0	24.0	2004/08/31
Upper Grand District School Board, elementary teachers, Guelph, Ont.	1,360	4.2	4.2	24.0	2004/08/31
Upper Grand District School Board, secondary teachers, Guelph, Ont.	710	3.5	2.2	36.0	2004/08/31
Waterloo Region District School Board, occasional teachers, Kitchener, Ont.	700	3.9	0.0	48.0	2004/08/31
Entertainment and Hospitality (2 agreements)					
Resto-Casino Inc. (Casino de Montréal), hotel and restaurant employees, Montréal, Que.	600	2.5	2.5	48.0	2007/03/31
Société des casinos du Québec inc., casino employees, Montréal, Que.	1,000	2.7	2.8	48.0	2007/03/31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (18 agreements)	50,920	1.3	1.3	30.2	
Alberta Treasury Branches, administrative services employees, province-wide, Alta.	1,600	3.5	3.5	24.0	2005/03/31
British Columbia Assessment Authority, office employees, province-wide, B.C.	590	0.0	0.0	24.0	2005/12/31
City of Hamilton, firefighters, Hamilton, Ont.	500	3.6	3.9	36.0	2005/12/31
City of Surrey, inside and outside employees, Surrey, B.C.	1,200	2.6*	2.5	48.0	2006/12/31
City of Toronto, firefighters, Toronto, Ont.	3,000	3.5	3.5	24.0	2003/12/31
City of Vancouver, outside employees, Vancouver, B.C.	1,430	2.6*	2.5	48.0	2006/12/31
Government of British Columbia, all categories, province-wide, B.C.	26,550	0.0	0.0	24.0	2006/03/31
Government of Manitoba, administrative services employees, province-wide, Man.	1,360	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, correctional officers, province-wide, Man.	1,130	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, general tradesmen (non-construction), province-wide, Man.	1,930	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, office employees, province-wide, Man.	2,780	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, scientific and other professionals, province-wide, Man.	1,240	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, scientific and other professionals, province-wide, Man.	1,080	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, social science employees, province-wide, Man.	1,670	2.7*	3.0	36.0	2006/03/17
Government of New Brunswick, health service employees, province-wide, N.B.	530	2.0	2.0	54.0	2007/06/15
Government of Yukon, all categories, Whitehorse, Y.T.	2,800	2.5	2.0	48.0	2006/12/31
Niagara Regional Police Services Board, police officers, Niagara Region, Ont.	610	3.7	3.8	36.0	2005/12/31
Ville de Longueuil, inside employees, Longueuil, Que.	920	1.6	1.0	48.0	2006/12/31
Agreements with COLA (21 agreements)	40,320	2.1*	1.5	48.4	
Agreements without COLA (57 agreements)	99,710	2.1	2.0	31.7	
All Agreements (78 agreements)	140,030	2.1	1.8	36.5	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: *Workplace Information Directorate*.

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Workplace Information Directorate

Labour Program

Human Resources - 16 Public Development Centres

David Onley

Ontario, Canada

Table 1

**Major Wage Settlements—All Sectors
by Year and Quarter**

YEAR	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
1984	559	1,156,230	21.1	3.6
1985	516	838,620	24.5	3.7
1986	553	1,121,456	25.6	3.4
1987	478	1,111,330	29.9	4.0
1988	542	1,182,742	25.3	4.4
1989	453	1,001,786	29.6	5.2
1990	507	1,146,353	28.4	5.6
1991	547	1,345,643	18.2	3.6
1992	496	1,306,765	24.3	2.1
1993	518	1,412,471	23.9	0.7
1994	434	942,583	28.4	0.3
1995	402	908,803	32.8	0.9
1996	378	810,415	32.6	0.9
1997	379	692,219	33.9	1.5
1998	412	938,310	31.9	1.7
1999	379	828,140	36.0	2.2
2000	406	1,081,270	34.8	2.5
2001	428	992,630	33.4	3.2
2002	368	985,930	29.0	2.8
2003	337	616,710	35.4	2.6
QUARTER				
2003	I	86	107,010	31.7
	II	126	233,430	32.5
	III	47	136,240	42.3
	IV	78	140,030	36.5

Table 2
Major Wage Settlements—Public and Private Sectors
by Year and Quarter

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR								
1984	276	635,190	17.0	3.9	283	521,040	26.1	3.2
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	303	917,990	33.5	2.5	103	163,280	41.8	2.4
2001	259	691,930	31.9	3.3	169	300,700	36.7	3.0
2002	259	771,830	26.0	2.9	109	214,100	39.9	2.6
2003	249	474,600	32.8	2.9	88	142,110	44.3	1.5
QUARTER								
2003 I	62	80,550	28.7	2.9	24	26,460	40.8	2.4
II	95	175,260	29.3	3.1	31	58,170	42.2	0.7
III	34	121,690	41.7	3.2	13	14,550	47.5	2.3
IV	58	97,100	31.3	2.3	20	42,930	48.3	1.6

Table 3

Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter

	2003					
	2002	2003	1	2	3	4
	%	%	%	%	%	%
Canada	2.8	2.6	2.7	2.5	3.1	2.1
Atlantic	4.1	3.1	3.1	3.5	4.2	2.6
Newfoundland and Labrador	6.6	3.1	3.0	-	5.0	2.2
Prince Edward Island	4.9	3.2	3.6	-	-	3.0
Nova Scotia	2.4	3.3	3.4	3.1	3.3	2.0
New Brunswick	2.7	2.7	2.3	3.8	-	2.8
Quebec	2.1	2.2	1.7	2.4	1.9	2.4
Ontario	3.0	3.3	3.0	3.5	3.7	2.9
Prairies	4.2	2.9	3.4	2.3	3.5	2.9
Manitoba	4.0	2.8	3.1	2.0	3.8	2.7
Saskatchewan	3.9	3.0	3.6	2.6	3.1	-
Alberta	4.5	3.0	3.5	2.4	3.3	3.5
British Columbia	1.9	1.3	2.3	1.5	2.5	0.8
Territories	3.0	2.5	-	2.5	-	2.5
Multiprovince	4.3	2.4	-	2.8	1.8	-
Federal	2.9	2.1	2.1	0.8	3.1	3.1

Table 4
Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

			2003			
	2002	2003	1	2	3	4
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	2.9	2.9	2.9	3.1	3.2	2.3
Atlantic	4.3	3.2	3.2	-	4.2	2.7
Newfoundland and Labrador	7.2	4.5	4.0	-	5.0	-
Prince Edward Island	4.9	3.0	-	-	-	3.0
Nova Scotia	2.3	3.4	3.4	-	3.3	-
New Brunswick	3.0	2.3	2.3	-	-	2.3
Quebec	2.0	2.0	1.4	2.3	1.8	2.1
Ontario	2.9	3.6	3.1	3.6	4.0	3.8
Prairies	4.8	3.2	3.3	3.3	3.5	2.9
Manitoba	4.6	3.0	3.1	3.0	3.8	2.7
Saskatchewan	4.4	3.4	3.6	-	3.1	-
Alberta	5.2	3.4	3.5	3.4	3.3	3.5
British Columbia	2.2	1.2	2.3	1.5	2.9	0.5
Territories	3.0	2.5	-	2.5	-	2.5
Multiprovince	-	-	-	-	-	-
Federal	2.9	3.0	2.8	2.6	3.2	4.0
PRIVATE SECTOR						
Canada	2.6	1.5	2.4	0.7	2.3	1.6
Atlantic	2.7	2.8	2.8	3.5	-	2.6
Newfoundland and Labrador	3.0	2.5	2.7	-	-	2.2
Prince Edward Island	-	3.6	3.6	-	-	-
Nova Scotia	4.0	2.7	-	3.1	-	2.0
New Brunswick	1.4	3.5	-	3.8	-	3.3
Quebec	2.5	2.6	2.2	2.9	2.7	2.8
Ontario	3.2	2.0	2.7	2.4	2.3	1.3
Prairies	1.5	1.2	3.8	1.1	-	-
Manitoba	1.3	0.3	-	0.3	-	-
Saskatchewan	1.6	2.6	-	2.6	-	-
Alberta	1.6	1.4	3.8	1.1	-	-
British Columbia	1.4	1.4	-	1.7	2.0	1.3
Territories	-	-	-	-	-	-
Multiprovince	4.3	2.4	-	2.8	1.8	-
Federal	2.8	0.4	1.8	-0.4	2.5	2.8

Table 5
**Major Wage Settlements—Industry Division
by Year and Quarter**

	2003					
	2002	2003	1	2	3	4
All Industries						
Number of Agreements	366	337	86	126	47	78
Number of Employees	993,360	616,710	107,010	233,430	136,240	140,030
Duration in Months	29.4	35.4	31.7	32.5	42.3	36.5
% Wage Adjustment	2.8	2.6	2.7	2.5	3.1	2.1
Primary Industries						
Number of Agreements	3	2	1	1	-	-
Number of Employees	1,880	1,410	680	730	-	-
Duration in Months	36.5	36.0	36.0	36.0	-	-
% Wage Adjustment	2.1	2.7	1.5	3.8	-	-
Utilities						
Number of Agreements	15	12	2	7	1	2.0
Number of Employees	19,130	25,310	1,630	19,620	550	3,510.0
Duration in Months	33.0	32.7	24.0	32.8	36.0	36.0
% Wage Adjustment	2.4	2.4	3.9	2.2	2.8	2.8
Construction						
Number of Agreements	12	5.0	-	2	1	2
Number of Employees	23,660	3,110	-	1,110	800	1,200
Duration in Months	47.4	44.2	-	37.4	48.0	48.0
% Wage Adjustment	1.2	2.6	-	2.4	1.8	3.3
Manufacturing						
Number of Agreements	49	40	13	13	6	8
Number of Employees	91,680	37,040	13,520	10,900	6,790	5,830
Duration in Months	38.5	40.8	36.2	43.5	45.5	41.1
% Wage Adjustment	3.5	2.4	2.4	2.4	2.3	2.6
Wholesale and Retail Trade						
Number of Agreements	19	15	-	6	2	7
Number of Employees	51,720	47,230	-	12,280	1,350	33,600
Duration in Months	45.2	50.7	-	53.1	60.6	49.4
% Wage Adjustment	1.8	1.3	-	1.0	3.0	1.3

Table 5 (continued)
**Major Wage Settlements—Industry Division
by Year and Quarter**

	2003					
	2002	2003	1	2	3	4
Transportation						
Number of Agreements	12	23	7	5	6	5
Number of Employees	29,580	111,400	9,080	37,110	57,080	8,130
Duration in Months	32.4	44.1	43.6	39.6	47.6	40.0
% Wage Adjustment	2.9	2.0	2.5	0.3	2.9	2.5
Information and Culture						
Number of Agreements	8	11	3	3	1	4
Number of Employees	23,160	11,140	4,120	3,550	700	2,770
Duration in Months	34.6	39.6	40	42.1	24.0	39.9
% Wage Adjustment	3.0	2.4	1.4	2.9	3.0	2.8
Finance and Professional Services						
Number of Agreements	8	7	1	2	2	2
Number of Employees	12,560	6,180	1,180	1,320	2,430	1,250
Duration in Months	55.2	38.7	36.0	41.3	29.7	56.2
% Wage Adjustment	2.1	2.7	2.6	2.0	2.5	4.0
Education, Health and Social Services						
Number of Agreements	172	165	49	76	12	28
Number of Employees	498,220	235,620	67,100	113,060	24,240	31,220
Duration in Months	23.4	26.4	28.3	24.8	24.8	29.2
% Wage Adjustment	3.0	3.4	2.9	3.4	4.3	3.6
Entertainment and Hospitality						
Number of Agreements	12	8	4	1	1	2
Number of Employees	10,400	7,270	3,910	520	1,240	1,600
Duration in Months	43.6	42.2	38.8	36.0	48.0	48.0
% Wage Adjustment	2.5	2.6	2.8	3.3	1.8	2.6
Public Administration						
Number of Agreements	56	49	6	10	15	18
Number of Employees	231,370	131,000	5,790	33,230	41,060	50,920
Duration in Months	30.1	36.7	31.9	37.5	44.9	30.2
% Wage Adjustment	2.6	2.3	2.7	2.8	3.0	1.3

Table 6
**Major Wage Settlements—Public Sector Breakdown
by Year and Quarter**

	2002	2003	2003			
			1	2	3	4
Federal Administration						
Number of Agreements		11	4	-	1	3
Number of Employees	54,800	20,650	-	10,500	10,150	-
Duration in Months	34.6	33.2	-	32.0	34.5	-
% Wage Adjustment	2.9	3.1	-	2.4	3.8	-
Federal Crown Corporations						
Number of Agreements		4	7	1.0	2	2
Number of Employees	5,390	60,650	1,770	8,030	48,700	2,150
Duration in Months	36.3	45.3	9.0	43.8	47.7	27.1
% Wage Adjustment	2.7	3.0	2.5	2.9	3.0	3.6
Provincial Administration						
Number of Agreements		24	24	7	3	-
Number of Employees	135,570	62,730	10,640	8,380	-	43,710
Duration in Months	27.0	31.4	35.4	35.0	-	29.8
% Wage Adjustment	2.3	1.6	2.8	3.8	-	1.0
Local Administration						
Number of Agreements		31	40	5	9	16
Number of Employees	62,230	76,840	5,760	17,740	38,050	15,290
Duration in Months	35.0	43.0	34.7	41.5	46.8	38.5
% Wage Adjustment	3.0	2.7	2.9	2.7	2.6	2.8
Education, Health and Welfare						
Number of Agreements		173	165	48	75	12
Number of Employees	497,890	230,640	61,600	112,360	24,240	32,440
Duration in Months	23.5	26.3	27.6	24.9	24.8	29.7
% Wage Adjustment	3.0	3.4	2.9	3.4	4.3	3.6
Public Utilities						
Number of Agreements		11	9	1	5	1
Number of Employees	11,780	23,090	780	18,250	550	3,510
Duration in Months	32.6	34.0	24.0	34.0	36.0	36.0
% Wage Adjustment	3.1	2.3	4.0	2.2	2.8	2.8

Table 7

**Selected Economic Indicators
by Year and Quarter**

	2003					
	2002	2003	1	2	3	4
Wage Adjustment (%)						
Ratified Agreements	2.8	2.6	2.7	2.5	3.1	2.1
Public Sector	2.9	2.9	2.9	3.1	3.2	2.3
Private Sector	2.6	1.5	2.4	0.7	2.3	1.6
Wage Adjustment (%)						
Agreements in Force	3.0	2.6	2.6	2.7	2.5	2.4
Public Sector	3.2	2.7	2.7	2.8	2.7	2.5
Private Sector	2.6	2.4	2.6	2.5	2.3	2.2
†Consumer Price Index						
Percentage Change ¹	2.2	2.8	4.5	2.8	2.1	1.7
†GDP² at Basic Prices³						
Percentage Change ¹	3.2	2.1	3.4	1.8	1.3	1.9
†Labour Productivity Growth (%)	1.0	-0.4	-0.6	-0.8	-0.4	-0.1
†Unit Labour Cost (%)	1.5	1.6	2.2	2.3	1.9	0.5
†Unemployment Rate³ (%)	7.7	7.6	7.4	7.7	7.9	7.5
†Employment³ (000's)	15,412	15,746	15,689	15,700	15,733	15,875
Percentage Change ¹	2.2	2.2	3.2	2.3	1.5	1.8
†Average Weekly Earnings³	\$681.02	\$689.36	\$686.19	\$687.73	\$689.45	\$694.07
Percentage Change ¹	2.0	1.2	1.5	1.3	1.1	1.0
†Average Hourly Earnings	\$17.09	\$17.19	\$17.04	\$17.14	\$17.21	\$17.38
Percentage Change ¹	1.8	0.6	-0.6	0.1	0.9	2.1

¹ Percentage change from the same period of the previous year.

² GDP—Gross domestic product at factor cost (1997) prices.

³ Seasonally adjusted data.

† Statistics Canada.

‡ Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

WORK STOPPAGES

*Workplace Information Directorate
Labour Program*

Fourth Quarter 2003 (500 or More Employees)

There were seven work stoppages involving 500 or more employees during the fourth quarter of 2003 in Canada. Three major work stoppages accounted for 86 per cent of person-days not worked. The strike involving Forest Industrial Relations Limited and Industrial Wood and Allied Workers of Canada (151,750 person-days not worked) represented 70 per cent of person-days not worked. The second largest work stoppage, between Amalco Foods, Dominion Stores Division, and the Canadian Auto

Workers involved 1,610 employees and represented 20,800 person-days not worked, 10 per cent of the total. Finally, the work stoppage between Maple Lodge Farms Ltd. and the United Food and Commercial Workers International Union involving 1,180 employees represented 13,490 person-days not worked, approximately 6.0 per cent of the total person-days not worked in the fourth quarter.

Table 1
Major Work Stoppages—Fourth Quarter 2003

By Jurisdiction				By Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	1	1,610	20,800	Primary Industries	-	-	-
Prince Edward Island	-	-	-	Utilities	-	-	-
Nova Scotia	-	-	-	Construction	-	-	-
New Brunswick	-	-	-	Manufacturing	2	10,180	165,240
Quebec	1	4,000	4,000	Wholesale and Retail Trade	1	1,610	20,800
Ontario	2	1,755	18,090	Transportation	1	3,000	12,000
Manitoba	-	-	-	Information and Culture	-	-	-
Saskatchewan	-	-	-	Finance and Professional Services	1	550	10,450
Alberta	-	-	-	Education, Health and Social Services	2	4,575	8,600
British Columbia	2	12,000	163,750	Entertainment and Hospitality	-	-	-
Territories	-	-	-	Public Administration	-	-	-
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	6	19,365	206,640	Total	7	19,915	217,090
<i>Canada Labour Code—Part I</i>							
Federal Administration	1	550	10,450				
Federal Total	1	550	10,450				
Total	7	19,915	217,090				

Source : Workplace Information Directorate.

Third Quarter 2003 (One or More Employees)

Table 2
All Work Stoppages—Third Quarter 2003
Cumulative to September 30, 2003

By Jurisdiction				By Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	3	250	2,870	Primary Industries	10	4,438	245,600
Prince Edward Island	1	5	544	Utilities	1	37	790
Nova Scotia	3	590	14,995	Construction	-	-	-
New Brunswick	2	263	340	Manufacturing	79	11,784	403,310
Quebec	90	16,271	598,780	Wholesale and Retail Trade	25	7,925	211,195
Ontario	80	21,457	456,820	Transportation	16	3,230	34,080
Manitoba	7	1,384	12,130	Information and Culture	9	2,459	182,575
Saskatchewan	3	124	2,545	Finance and Professional Services	8	801	14,710
Alberta	2	95	2,050	Education, Health and Social Services	38	22,367	261,629
British Columbia	7	9,326	75,370	Entertainment and Hospitality	20	2,228	29,690
Territories	-	-	-	Public Administration	13	877	9,960
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	198	49,765	1,166,444	Total	219	56,146	1,393,539
<i>Canada Labour Code—</i>							
Part I	20	6,346	227,025				
Federal Administration	1	35	70				
Federal Total	21	6,381	227,095				
Total	219	56,146	1,393,539				

Source : Workplace Information Directorate.

A weekly listing of **major work stoppages in Canada** and a full chronological perspective are available on the Workplace Information Directorate Website at

<http://www.hrsdc.gc.ca>, click on:

- (1) *Labour and Workplace*,
- (2) *Collective Bargaining*,
- (3) *Work Stoppages in Canada*.

All Work Stoppages

Table 3
A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month ¹			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,499	2,198,870	0.07
2002	251	294	167,945	3,028,423	0.09
2003*	174	219	56,146	1,393,539	0.05
* Year-to-date					
2002					
September	19	65	16,228	166,959	0.06
October	31	80	17,260	199,200	0.07
November	17	72	12,129	145,104	0.05
December	12	57	10,790	134,205	0.05
2003					
January	9	54	11,539	142,080	0.05
February	16	48	15,722	142,660	0.05
March	26	62	15,134	188,580	0.07
April	27	66	11,969	173,477	0.06
May	20	59	15,960	144,900	0.05
June	22	60	13,757	163,807	0.05
July	18	61	9,771	179,185	0.06
August	15	51	14,022	158,080	0.05
September	21	62	10,428	100,770	0.03

¹ Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike or locked out, whether or not they all belonged to

the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establishments in which the number of weekly working days

(see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program.



Selected Provisions in Collective Agreements

Marie-Ève Bédard

Workplace Information Directorate
Labour Program

Indirect Compensation in the Workplace

Introduction

Indirect compensation, a form of extrinsic reward similar to direct compensation, includes public and private social security schemes, paid leave, and other services and privileges.

Indirect compensation in an organizational context generally increases employee satisfaction with working conditions, generates employee loyalty, lowers turnover and maintains or enhances the corporate image (Dolan et al. 2002).

According to Greenan (2002), the composition of benefits offered to employees depends on a number of internal factors, including the goals and individual philosophy of the organization. The composition of benefits is also influenced by external factors which are often dictated by business cycles and changes in public policy. With decreasing public funds allocated to worker benefits, employers and employees are coming under proportionately increasing pressure to assume additional financial responsibilities in order to maintain the levels of access and protection to which Canadians have become accustomed. Moreover, employers must now consider their employees' needs and values in addition to the market pressures influencing candidates in their choice of employer.

This article offers an overview of the various public and private plans related to indirect compensation,

presenting the theoretical basis as well as excerpts from current collective agreements.

Paid Leave

The number of statutory holidays afforded employees is determined by provincial statute. Added to these is leave granted by the employer, in particular sick leave, personal leave and sabbatical leave (Dolan et al. 2002), as well as vacation leave, the length of which is usually based on the employee's seniority.

Sick leave allows employees to take time off work when they are sick (Human Resources Development Canada 2002). In Canada, labour standards legislation in four jurisdictions contains provisions for this type of leave; these jurisdictions are Canada, Quebec, Yukon Territory and Newfoundland and Labrador.

In addition, Human Resources Development Canada (2002) reports that, in case of illness, certain benefit plans allow employees to take time off work without loss of pay for a determined amount of time, while others allow employees to take time off without the need for a medical certificate. It is also relevant to note that sick leave is not family-related leave; nevertheless, some employers allow their employees to use their sick leave credits for this purpose.

Government of Prince Edward Island and
Prince Edward Island Teachers' Federation,
2001-2003, 0460510

Section 17 – Sick Leave

17:01 Sick leave means that period of time a teacher is permitted to be absent from work with full pay by virtue of being sick, injured or disabled.

Personal leave allows employees to take time off work in order to attend to needs or obligations that affect them personally. Personal leave is not covered in labour standards legislation, which contains other types of leave allowing employees to attend to their personal obligations, namely vacation leave, bereavement leave, family-related leave, jury leave and paid leave of one day for an employee's wedding (HRDC 2003).

Among the 1,161 current collective agreements¹ that have been compiled by the Workplace Information Directorate, Labour Program, 242 agreements (20.8 per cent, covering 526,212 employees) contain paid personal leave clauses.

Culinar inc. and Bakery, Confectionery and Tobacco Workers International Union, Local 480, 1998-2002, 0049905

[Translation]

Section 28 – Personal Leave and Jury Duty

28.01 Jury Duty

A) An employee required to serve on a jury must be paid the difference between any compensation received and the amount he would normally have earned had he been at work.

B) Employees must inform the employer's human resources office within twenty-four (24) hours of notice of selection for

jury duty. To be eligible for such compensation, employees must provide a written notice from the Department of Justice outlining time served, dates and compensation received.

28.02 Personal Leave

A) Any worker who has completed fifty (50) workdays within six (6) months will be entitled to the following leave with no loss of wages:

- a maximum of five (5) days, four (4) days in the case of an employee on a four-day workweek, in the event of a spouse's or child's death;*
- three (3) days in the event of the death of the father, mother, father-in-law, mother-in-law, brother, sister, son-in-law or daughter-in-law, and one (1) day in the event of the death of the brother-in-law, sister-in-law, grandfather, grandmother or grandchild,*

provided these workdays occur between the day of death and the funeral, inclusively, except in the case of a spouse or child, and that they are intended to prepare for or take part in the funeral. However, in the case of night-shift employees, the day following the funeral is considered to be the day of the funeral.

In the event of the birth of an employee's child, two (2) workdays are granted with no loss of wages, provided they are taken within fifteen (15) days following arrival of the child at home and notice was given to the employer.

N.B. The employee must then inform his immediate supervisor before the start of the workday barring any physical impairment in doing so. In all these instances of

¹ This analysis is based on small (100 to 499 employees) and medium (500 to 1,999 employees) bargaining units that are part of the stratified sample as well as all large bargaining units (2,000 or more employees), which the Workplace Information Directorate surveys.

absences, time is paid at the regular rate of each employee group concerned.

- B) *Personal leave mentioned in the preceding paragraph may be cashed out at the rate of 1/5 the regular daily rate for each day of personal leave, on top of time actually worked, in the case of a truck driver at work on the road at the time of the event, provided he returns his truck himself. However, return time is included in the leave of absence for a truck driver who asks to be replaced.*

Hospital and Medical Care

Provinces have jurisdiction over hospital and medical care in Canada. There are as many health insurance plans, hospitalization insurance plans and financing plans as there are provinces in Canada. Nevertheless, as mentioned by Dolan et al. (2002), all such plans offer basic protection such as nursing, use of an operating room, laboratory work, medication and outpatient care. Health insurance plans also allow citizens of each province to consult a physician, be it at home, in a hospital setting or in private practice.

With respect to health services financing, the Canadian government provides transfer payments to provinces and territories through the *Canada Health and Social Transfer*. However, in order to obtain the maximum amount, provincial and territorial health insurance plans must meet the five criteria and two conditions established by the *Canada Health Act*. For instance, the plans must (1) be administered by a non-profit public authority; (2) cover all medically necessary medical and hospital services; (3) cover all insured provincial or territorial residents in the prescribed manner; (4) provide coverage that is transferable from one province to the next during temporary and permanent displacements; and (5) offer satisfactory access to insured health services in the prescribed manner free of any user fee.

The *Canada Health and Social Transfer* is a block fund allowing each province to distribute the amounts received among health care, social services and postsecondary education, in accordance with its own set of priorities. Thus according to Department of Finance estimates, 62 per cent of transfer program monies, or about \$24 billion for fiscal 2003–2004 including the billion dollars from the Health Care Reform Fund, are provincially allocated to health care. Including federal assistance of \$5 billion a year, the Department of Finance estimates that total federal contributions to health care account for more than 40 per cent of provincial spending in this area (Department of Finance, Canada, 2003).

Greenan (2002) states that an employer may, in addition to provincial plans already in place, implement a health care plan that reflects its social objectives, industry norms, its geographic location, the demographics of its employees, union participation and its budget. Thus, generally speaking, health care plans offered by an employer offer more comprehensive coverage with respect to hospital care, medication, dental care and vision care.

For example, in contrast to public plans, which cover hospital stays in four-bed rooms only, private health care plans cover the additional costs associated with private or semi-private hospital rooms. With regard to private prescription drug, dental care and vision care plans, they offer a greater level of protection and a wider array of services to contributors. A claim to the insurance carrier is generally required for a refund to be issued (Dolan et al. 2002).

It is worth noting the coordination of benefits stemming from health-related insurance. It is possible for employees to be simultaneously covered by their own plans and those of other persons, normally spouses, allowing for maximum, often even total, reimbursement of health-related expenses. Certain provisions pertaining to benefit coordination may thus be included in insurance policies.

Supplemental Health Insurance

Analysis of data provided by the Labour Program's Workplace Information Directorate shows that 1,051 of the 1,161 current collective agreements (90 per cent) contain a provision dealing with supplemental health insurance. Of those, 818 agreements state the percentage of the coverage provided. Thus 814 agreements (99.5 per cent) refund 50 per cent or more of expenses, 713 (89.4 per cent) refund 75 per cent or more, and 396 (48.4 per cent) provide a full refund. Furthermore, 117 of the 1,051 agreements (11.1 per cent) containing supplemental health insurance provisions offer employees coverage known as lump-sum payments, while 116 of those same 1,051 agreements (11.0 per cent) do not describe the level of reimbursement.

Groupe Jean Couru PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

[Translation]

Coverage of Hospital Costs

Coverage includes 100 per cent of the normal daily rate of room and board in a semi-private room for the entire length of the stay in hospital. In cases where the hospital does not have semi-private rooms, the coverage includes 80 per cent of the lowest daily rate set by the hospital for its private rooms.

End – The day of your retirement.

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154C, 2000–2003, 0045106

Medical Services

Semi-Private Hospital Room Accommodations – if you, or your dependent, are confined in a licensed private hospital, or public hospital within Canada, you will be eligible for accommodation up to the level of a semi-

private room. (Plus the daily co-insurance charge if applicable.)

Coverage – 100% reimbursement of amount

Pre-Determination of Benefits – the Insurance Carrier suggests that you submit a detailed treatment plan before the services begin. You will then be advised of any benefit that will be provided.

Private Room Accommodations – difference in cost between semi-private accommodations and private room in a public general hospital, but not a chronic care unit in the hospital.

Coverage – 90% reimbursement of amount.

Licensed Private Hospital Care – to a maximum of 120 days per person for confinement in a "licensed private hospital".

Coverage – 90% reimbursement of amount.

Note: Licensed private hospital is a legally licensed institution, which is primarily operated as a place for the care and treatment of alcoholics, drug addicts [sic], or the mentally ill as in-patients and which is eligible to receive payments under a provincial hospital plan.

Private Duty Nursing – which is required when such services are provided in the home and which can only be provided by registered nurses who are not ordinarily a resident in your home and are not related to you or your dependents.

Coverage – 90% reimbursement to a maximum of \$10,000.00 per employee and eligible dependent(s) per calendar year.

Recommendation by the attending physician is required for private duty nursing services.

Diagnostic Services – charges for microscopic and laboratory tests, and/or similar diagnostic services prescribed by a physician.

Coverage – 90% reimbursement of amount.

Physiotherapy – services of a licensed or registered physiotherapist, who does not have an agreement with OHIP for payment of his/her services. Reimbursement will be based on the amount that would have been allowed if he/she were registered with them.

Coverage – 90% reimbursement of amount.

Accidental Dental Treatment – Dental care necessitated by a direct accidental blow to the mouth and not by an object wittingly or unwillingly placed in the mouth. The accident and treatment must occur while coverage is in force. Treatment must begin within 90 days of the accident, and must be completed within one year.

Insurance Carrier must be notified immediately. Payment will be made up to the fees set out in the Ontario Dental Association suggested Fee Guide for General Practitioners in effect on the date of treatment.

Coverage – 90% reimbursement of amount.

Ambulance Services – charges for licensed ambulance service, including air ambulance, to and from the nearest hospital where adequate treatment is available.

Coverage – 90% reimbursement of amount.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996-2001 (00710)

[Translation]

Coverage of Major Medical Expenses

Coverage – 80% of all refundable expenses (including refundable expenses for medication and pharmaceutical products) and 100% of any amount that would constitute part of the contribution exceeding the annual limit of \$750 for medication and pharmaceutical products. It is incumbent on you to show that your maximum contribution has been exceeded.*

** "Maximum contribution" means the total amount paid by a covered person in excess of which the cost of medication and pharmaceutical products is borne by the plan. The deductible and co-insurance must be accounted for in determining the maximum contribution, but any amount the covered person has not had to pay because of an employer-supported employee incentive plan must be deducted from it.*

The maximum contribution for the calendar year is \$750 per covered adult. For the employee, this amount includes the sums paid as deductible and co-insurance, if applicable, for an eligible dependent child, or for a person suffering from a functional deficiency, residing at the same address and who, under the terms of the act respecting the Quebec Drug Insurance Plan, must be eligible for this plan.

Deductible – \$50 per covered person or family.

Lifetime Maximum:

Medication and pharmaceutical products: No limit. However, benefits related to these medications and pharmaceutical

Drug Insurance Plan

Provisions linked to drug insurance plans are contained in 527 of the 1,161 current collective agreements, or 45 per cent. It should be noted that 410 of those 527 agreements (77.8 per cent) specify the percentage of coverage: 408 of these 410 agreements (99.5 per cent) offer coverage of 50 per cent or more, 377 (92.0 per cent) offer 75 per cent or more, and 230 (56.1 per cent) offer full coverage. Furthermore, 65 of the 527 agreements containing drug insurance plan clauses (12.3 per cent) do not state the method of reimbursement, and 52 (9.9 per cent) offer a lump-sum payment.

products will also be included in the \$100,000 overall lifetime maximum, which applies to all other refundable costs.

Other refundable costs – \$100,000 per covered person.

End – The day you retire.

Benefits allowed and maximum refundable costs (per covered person):

Home care nursing – \$10,000 per calendar year.

Chiropractor, naturopath, osteopath and podiatrist – \$20 per visit, to an overall maximum of \$200 per calendar year.

Psychologist, physiotherapist, occupational therapist and speech-language pathologist – Overall maximum of \$500 per calendar year.

Hearing aids – A single hearing aid per 24-month period, to a maximum of \$250.

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154G, 2000–2003, 0045106

Drugs:

a) Any drug (re: prescription drugs with DIN numbers) and/or medicines approved for legal sale to the general public in Canada, and prescribed by a physician or dentist. You will receive full reimbursement of a brand name drug only if your physician or dentist provides specific instructions prohibiting substitution.

b) Serums, injectables, insulin, needles, syringes and testape for use by diabetics purchased on the prescription of a medical doctor.

c) Injectable vitamins, or injectable vitamin preparations, and hematinic vitamins (vitamins to treat blood disorders).

- d) Oral contraceptives.
- e) Preventive vaccines.

Dental Plan

Dental coverage is included in 982 of the sample's 1,161 current agreements (84 per cent). With respect to refund methods, 77 of the 982 agreements (7.8 per cent) offer lump-sum payments, 139 (14.2 per cent) do not state the method of refund, and 766 (78.0 per cent) state the refund percentage. Of the 766 agreements, 764 (99.7 per cent) offer refunds of 50 per cent or more, 688 (89.8 per cent) offer 75 per cent or more, and 366 (47.8 per cent) offer full coverage.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

[Translation]

Dental Expenses Coverage

Basic services appear in the dental care schedule.

Coverage – 90 per cent of refundable costs.

Schedule of fees – The general practitioner's schedule of fees for orodental work approved by the dental association of the province you reside in for the year preceding the year when care is given.

Maximum – \$1,200 per covered person per calendar year.

End – The day you retire.

Government of Prince Edward Island and Prince Edward Island Teachers' Federation, 2001–2004, 0460510

14:07 The Employers shall participate in the payment of group dental insurance by paying, per participant, 50% of the applicable premium as outlined in Appendix C, of Atlantic Blue Cross Care Dental Plan Part 1A.

Vision Care

Vision care provisions are found in 638 (55 per cent) current collective agreements. Of these, 38 (6.0 per cent) offer lump-sum payments, 95 (14.9 per cent) do not state the method of refund used, and 505 (79.2 per cent) state a refund percentage. Thus 503 agreements (99.6 per cent) offer refunds of 50 per cent or more, 472 (93.5 per cent) offer 75 per cent or more, and 275 (54.5 per cent) offer full coverage.

Grroupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996-2001, 1107101

[Translation]

Vision Care Coverage

Coverage – 100% of refundable expenses.

Maximum – \$150 per 24-month period.

When contact lenses are the only available means of restoring visual acuity of the better eye to at least 20/40, the maximum is \$200 per 24-month period.

End – The day you retire.

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Food 154G, 2000-2003, 0045106

VISION CARE

Charges for the following vision care expenses when prescribed by an ophthalmologist, optometrist or oculist:

- *reimbursement for eye examination, including refractions, one per calendar year.*

Coverage – 90% of amount.

- *reimbursement for purchase, repair, and fitting of prescription glasses, sunglasses or contact lenses, up to a maximum of \$200.00 each may be claimed over the term of the agreement.*

Coverage – 100%.

Hearing Aids

Provisions relating to hearing aids appear in 253 agreements, or 22 per cent of listed current collective agreements. Of these agreements, 23 (9.1 per cent) provide for lump-sum payments, 33 (13.0 per cent) do not specify the method of payment, and 197 (77.9 per cent) state the percentage of the refund offered. Of these 197 agreements, 195 (99.0 per cent) offer refunds of 50 per cent or more, 185 (93.9 per cent) offer 75 per cent or more, and 106 (53.8 per cent) offer total coverage.

Kenn-Cohen Inc. and International Brotherhood of Teamsters, 2000-2003, 1073701

[Translation]

Hearing Aid

Expenses incurred for the purchase and repair of a hearing aid, with the exception of batteries, up to \$300 for each period of 24 consecutive months per insured person.

Motor Suspension Systems Company and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CWA-Canada), local 127 and 106, 2001-2004, 0201807

IV. Benefits

The covered person may obtain hearing aids that the dealer shall have agreed to furnish covered persons in accordance with the following reimbursement arrangements:

- (A) *the acquisition cost of the hearing aid; and*
- (B) *the dispensing fee. Effective March 1, 2001, add binaural hearing aids.*

Flexible Benefits

A few benefit plans offer more flexibility. Known as "flexible benefits," these plans allow employees to choose benefits tailored to their needs, such as health

insurance, dental care, life insurance, accidental death or dismemberment insurance and long-term disability.

Some of these "à la carte" plans provide for credits to cover their cost and employees distribute their contributions to the various coverage options according to their needs. Other plans allow the employer to provide basic coverage to all employees, while giving them the opportunity to select a coverage level matching their needs and the costs they wish to assume (HRDC 2002).

Disability Insurance and Disability-Related Income Protection Plans

Funded equally by employers and workers, the Canada Pension Plan (or the Quebec Pension Plan for that province) guarantees the payment of benefits in case of disability. To be deemed disabled under the *Canada Pension Plan* (HRDC 2003), employees must be physically or mentally disabled and this disability must be severe and prolonged, that is, their state must be such that it prevents them from holding regular employment over an extended period of time or risks causing their death.

Most unionized employers offer, in addition to the public plan, income protection in case employees become disabled following illness or accident, regardless of whether the disability is related to work.

Disability plans may be short term (less than a year) or long term (a year or more). Short-term disability plans come in three varieties: sick leave, weekly indemnity and supplementary unemployment benefit plans. While sick leave is normally self-insured within large companies and management handles its administration and benefits payout, weekly indemnity plans are characterized by the outsourcing of claim settlement, usually to an insurance company. As for supplemental unemployment benefit plans, they offer benefits that top up those of the federal government's employment insurance plan.

There are 758 collective agreements containing income insurance clauses in case of short-term disability, representing 65 per cent of current agreements tracked by the Workplace Information Directorate. They are broken down as follows: 42 agreements (5.5 per cent) offer lump-sum payments to disabled employees, 170 (22.4 per cent) do not state the method of payment, and 546 (72.0 per cent) state the percentage of an employee's regular income that is to be granted. Of these 546 agreements, 543 (99.5 per cent) offer a disabled employee 50 per cent or more of regular wages, 496 (90.8 per cent) offer 75 per cent or more, and 236 (43.2 per cent) guarantee 100 per cent of wages in the event of short-term disability.

Groupe Hôtelier Grand Château (Sheraton Laval) and United Steelworkers of America, Local 9400, 2000-2005, 1107002

[Translation]

13) Period of total disability

a) When short-term income insurance applies – any continuous period or successive periods of total disability resulting from the same illness or accident and interrupted by periods of fewer than 15 consecutive days, under the short-term income insurance policy, or of fewer than 90 consecutive days, under the long-term income insurance policy, during which time the contributor was not totally disabled. If, during a given period, the disability is caused by an illness or accident totally unrelated to the illness or accident having caused the preceding total disability, it is considered to be a new period of total disability.

Short-term income insurance

5. Benefit

Options 1 and 2

1) When a contributor becomes totally disabled, he is entitled to a weekly benefit

equal to 60% of his weekly salary, as at the start of the total disability, if benefits are not taxable, and 66 2/3% of his weekly salary, as at the start of the total disability, if benefits are taxable. This benefit is payable from the 1st day of the period of total disability for an absence due to an accident, or from the earliest of the following dates for an absence due to illness:

- a) the 8th day of the period of total disability;*
- b) the 1st day of the contributor's hospitalization.*

Hospitalization is meant to include

- a) any stay in hospital as a patient for minimum of 24 hours or*
 - b) any stay in hospital during which the contributor undergoes surgery performed by a doctor and requires local, regional or general anaesthetic, except in cases of minor surgery, which may be performed at the doctor's office.*
- 2) *For the purposes of this policy, the weekly salary may not exceed*

Option 1 – \$600

Option 2 – the maximum benefit payable under the Employment Insurance Act.

- 3) *This benefit is calculated at a rate of 1/7th for each day of absence and is payable*

Option 1 – for a maximum of 17 weeks per period of total disability.

However, payment of the benefit may not under any circumstances continue beyond the latest of the following dates:

- a) the date when the contributor has received at least 15 weeks' total compensation;*

- b) the date when the contributor reaches 70 years of age.*

Option 2 – as long as the total disability lasts, to a maximum of 17 weeks less the number of weeks for which disability benefits, if any, are owing to the contributor from Human Resources Development Canada (HRDC). Notwithstanding the provisions of the preceding paragraphs, payment of the benefit may not, under any circumstances, continue beyond the latest of the following dates:

- a) the date when the contributor has received at least 15 weeks' total compensation;*
 - b) the date when the contributor reaches 70 years of age.*
- 4) *A contributor who returns to work after having received benefits during the entire length of the benefit period provided for by this policy, and who then becomes totally disabled once again for the same reason as that for which he received benefits, is not entitled to the benefits provided for by this section if he is entitled to those provided for by the long-term income insurance policy, or unless he has not been working full time every business day for a period of 90 consecutive days before becoming totally disabled once again.*
- 5) *For the purposes of this contract, the total disability begins on the date when the contributor stops working because of the total disability and ends on the date when the contributor is unable or refuses to provide proof of his total disability.*

Option 3 – This option provides no short-term income insurance benefit.

Costs associated with long-term disability are normally insured by employers, and the value of benefits usually reaches 50 to 75 per cent of gross employee salaries. Employers try to minimize the extremely high cost of these benefits by implementing policies oriented to wellness, employee assistance, early intervention, gradual return to work and the maintenance of a medical and professional rehabilitation program (Thériault and St-Onge 2000).

Clauses relating to long-term income insurance appear in 770 collective agreements, or 66 per cent of the 1,161 agreements currently listed. Of these agreements, 31 (4.0 per cent) offer disabled employees lump-sum payments, 157 (20.4 per cent) do not provide details on income insurance, and 582 (75.6 per cent) mention the percentage of the regular salary to which an employee is entitled in case of long-term disability. Of these 582 agreements, 580 (99.7 per cent) offer 50 per cent or more of the regular salary, 491 (84.4 per cent) offer 75 per cent or more, and 249 (42.8 per cent) offer full coverage.

Doral International Inc. and Communications, Energy and Paperworkers Union of Canada, Local 173, 2000-2002, 1095202

[Translation]

Weekly Disability Benefit

Should you become disabled while your insurance is in force and are unable to work solely due to illness or accidental bodily injury, and if you are examined, treated and followed up on by a medical doctor certified to practise and are absent from work for a period longer than the waiting period, weekly benefits are paid to you during the period following the waiting period as long as you are disabled, but they stop at the end of the benefit period.

Classification (Categories and Amount):

All employees: 66.213% of eligible weekly earnings rounded off to the nearest dollar.

65 years of age: according to the employment insurance benefit ceiling at the start of the disability.

Earnings refer to the normal income paid by the employer, plus the average amount of commissions paid during the 24-month period (or less if the period of employment is shorter) preceding the start date of the disability, excluding bonuses and overtime, except where these are included in the amount for insurable gains for purposes of employment insurance.

With regard to hourly employees who do not regularly work full-time hours, earnings are calculated according to the average number of hours worked over the previous 20 weeks (or less if the period of employment is shorter) and the hourly rate in force the day preceding the employee's disability.

Any retroactive earnings adjustment comes into force on the date the change is decided upon.

Waiting period:

0 days – injury

*7 days – illness**

** If you are hospitalized for at least 18 hours or are required to undergo a previously scheduled surgical procedure in hospital on an outpatient basis.*

During the waiting period, benefits are payable from the first day of hospitalization or the day of the surgical procedure on an outpatient basis.

Workers' Compensation System

The principle underpinning the workers' compensation system in Canada is that an employee, or the employee's dependents in case of death, is eligible to receive compensation in case of injury or occupational disease attributable to the work performed.

Rather than risk being sued by employees injured in the line of duty, employers have opted to become collectively responsible for charges incurred by compensation coverage for industrial accidents, which is normally mandatory for all employees holding industrial employment.

Compensation payable usually includes health care, disability benefits, rehabilitation and benefit in case of death due to industrial accident (Greenan 2002).

Abitibi-Consolidated Inc. (Laurieride Division) and Communications, Energy and Paperworkers Union of Canada, 1998-2004, 0120806

[Translation]

32.07 Industrial Accidents

An employee who, subsequent to an industrial accident, receives Workplace Health and Safety Commission benefits will be entitled, in addition, to the difference between the amount of these benefits and the net amount he would have received from the Weekly Benefit Plan (if any), calculated weekly, if the accident had not been compensable by the WHSC.

In the event of a challenge or delay in the payment of WHSC benefits, the company will pay the benefits provided for by the Plan to an employee asking for such payment and undertaking to reimburse the Company for any payment advance.

The amounts mentioned in the preceding paragraphs are payable as of the date the employee would have become eligible under the provisions of the Plan until the date of finalization, of return to work or of termination of a period of 52 weeks, whichever is earlier.

Government of New Brunswick and Canadian Union of Public Employees, Local 2745, 1997-2002, 0462005

[Translation]

Section 27 – Workers' Compensation

27.01 Workers' Compensation Supplement

An employee receiving compensation benefits under the Workers' Compensation Act for injury on the job shall receive the difference between the regular pay and the benefit that is paid by the Workers' Compensation Board during the period of total temporary disability.

27.02 No Charge Against Sick or Vacation Leave Credits

The absence of an employee who is receiving compensation benefits under the Workers' Compensation Act shall not be charged against the employee's sick leave credits or vacation credits.

27.03 Disability Pensioners

Special leave shall be granted, with no loss of pay or leave credit, to disability pensioners who are called to report to a medical board for examination or investigation in connection with their disability for a period of time not exceeding three days. A certificate of such attendance shall be submitted to the employer.

Life Insurance Plans

According to Thériault and St-Onge (2000), group life insurance may take five different forms: death and dismemberment insurance, which offers benefits if a worker suffers a serious injury or dies as a result of an industrial accident; optional life insurance, which is basically a supplement to group life insurance and which is subscribed to according to the various needs of workers; universal group life insurance, which offers the option of mixing coverage

and accumulation; dependent life insurance, which, while optional, allows for a choice in the level of coverage and cost; and, finally, survivor benefits, which usually correspond to a percentage of the deceased employee's salary paid to the spouse plus a supplement for each child.

Of the 1,161 current collective agreements compiled by the Workplace Information Directorate, 978 (84.4 per cent) include a life insurance clause. Of these agreements, 809 (82.7 per cent) provide a benefit based on a percentage of the employee's salary: 806 (99.6 per cent) offer benefits of 50 per cent or better, 707 (87.3 per cent) offer 75 per cent or more, and 453 (56.0 per cent) offer a sum equivalent to the employee's salary. Furthermore, 112 of the 978 agreements containing life insurance clauses (11.5 per cent) offer no details on the method of benefit payment, and 57 (5.8 per cent) prescribe lump-sum payments.

Domeo Inc. and CSN—Syndicat des employés des Industries Domeo ltée de Furnham, 1997–2002, 0247406

[Translation]
Coverage Schedule

Basic life insurance

The benefit payable upon an insured employee's death is equal to \$20,000.

This insurance is reduced by 50% when the employee reaches 65 years of age and is terminated when he reaches 70 years of age.

Accident insurance

The benefit is equal to \$20,000.

This insurance is reduced by 50% when the employee reaches 65 years of age and is terminated when he reaches 70 years of age.

Life insurance

Spouse – \$10,000.

Dependent children aged 24 hours or more – \$5,000.

This insurance is terminated when the employee reaches 70 years of age at the latest.

Basic life insurance

Upon an insured employee's death, the basic life insurance provides for the payment of a benefit, according to procedures established in the Coverage Schedule and in the General Provisions, as well as in what follows.

Except as provided for by law, the insured employee may designate or revoke, at any time, the beneficiary or beneficiaries of his insurance by forwarding written notice to the carrier.

When the insurance coverage of an employee of less than 65 years of age ends because he leaves his job, his life insurance remains in force free of charge for the following 31 days. During this 31-day period, he may, without providing proof of insurability, transform his group life insurance into a permanent or temporary individual life insurance, with or without accident coverage, according to the group coverage he held. For the first year of the individual contract, he may pay a temporary insurance premium.

Dependent life insurance

Upon the death of an insured dependent, the dependent life insurance provides for the payment of a benefit, according to procedures established in the Coverage Schedule and in the General Provisions, as well as in what follows.

This benefit is payable, in order, to the insured employee, to his spouse or to the legal heirs of the deceased dependent.

Peterson Spring (Kingsville Plant) and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), 1990-2002, 1143402

The Company will provide Group Life Insurance coverage to all employees at the rate of one [1] times annualized pay. This pay will be determined by multiplying your base hourly wage as it exists on January 1 of each year times 2,080 hours. This amount will be rounded to the nearest \$1,000.00 and will be redetermined on January 1 of each year.

The benefit will be the same for the entire year.

Employee Assistance and Work-Life Balance Programs

As noted by Greenan (2002), today's society is characterized by an aging baby boomer generation, a larger proportion of women in the labour market and more single parent and dual-income families. These factors increase the amount of stress borne by individuals and their families, leading in some cases to workplace attendance and performance problems, as well as drug dependency, alcoholism and family-related problems. Employee assistance programs represent a very useful service offered by the employer for identifying and resolving such stress-related problems.

According to data collected by the Workplace Information Directorate, 212 current collective agreements (covering 613,908 workers) contain employee assistance programs, 153 agreements (465,665 workers) contain provisions for drug dependence programs, and 30 agreements (105,400 workers) include clauses touching on some form of assistance for victims of sexual harassment.

SaskPower and Communications, Energy and Paperworkers Union of Canada, Local 640, 1998-2001, 01111906

17.04 Employee and Family Assistance Program

The Company and the Union agree to participate in an Employee and Family Assistance Program which is designed to offer assistance to the Employee whose work performance could decline, or has declined to an unacceptable standard regardless of the cause. This program is available to any Employee who has completed the initial probationary period.

Lear Corporation and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), Local 1973, 2002-2005, 0197807

Appendix "L"

Employee and Family Assistance Program Substance Abuse – Statement of Cooperation

There is common recognition between the parties of the need to provide a support system for employees seeking assistance to handle personal problems that affect their performance in the workplace and within the community. Experience has shown that there are other types of situations where employees suffer from problems relating to emotional, medical, family, or financial difficulties, among others, which can be addressed through professional guidance and counselling.

The Company and Union express their joint determination to deal cooperatively, constructively and confidentially with employees seeking assistance to handle

personal problems of substance abuse among Lear workers and their families represented by the CAW.

Alcohol and drug dependency are recognized by medical and public health authorities as well as by the Company and the CAW as being diseases. Substance abuse is recognized to be a serious medical and social problem for workers, their families and the community. Such addiction by workers impairs their ability to function, contributes to increased absenteeism and tardiness, and is a violation of shop rules. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers sincerely trying to do a conscientious job.

Any of the above can have a damaging effect on plant efficiency and endangers the job security of workers. The Company and the Union have an interest in encouraging early and comprehensive treatment looking toward rehabilitation.

It is the intention of the Company to continue to work jointly with the CAW toward our goal of establishing a comprehensive and effective program to deal with substance abuse and related problems.

The Company and Union believe strongly that Substance Abuse program effectiveness may be hampered if rigid guidelines are issued which would preclude or discourage flexibility in the handling of Substance Abuse issues. Consequently, the parties will continue their mutual efforts to address these matters on a case-by-case basis. Additionally, the Company will work with the Union in the development and implementation of the Substance Abuse Procedure Manual (Attachment to Appendix L), which will aid the parties in dealing with substance abuse issues. The Manual will be considered as an attachment to the Collective Agreement

between the parties and shall be premised on an expressed joint determination of the parties to deal cooperatively and constructively with the problem of substance abuse among Lear workers represented by the CAW.

The Union Substance Abuse/EFAP representative will work on the shift where a majority of employees in the plant are working.

Blue Water Seafoods inc. and Fédération du commerce inc. (CSN), 2002-2005, 0031307

[Translation]

2.04 Sexual Harassment

1. Principle

The parties recognize the importance of maintaining a workplace free of sexual harassment.

2. Definition

Sexual harassment constitutes a violation of human rights, in the guise of discrimination based on sex, and manifesting itself in the form of repeated verbal comments, actions or gestures of a sexual nature, be they repeated or not, flagrant or subtle, unwanted or imposed, and that are such that they prejudicially affect a person's dignity or physical or psychological integrity, or that they result in an unhealthy work environment, termination or resignation.

3. Undertaking

The parties agree to take all necessary measures to avoid such a violation and to take, where appropriate, the necessary corrective measures warranted.

Consequently, the parties agree to:

- maintain a climate free of sexual harassment that is conducive to protecting

the physical and psychological integrity of persons, as well as safeguarding their dignity;

- *contribute to the awareness raising, education and training of employees in order to prevent sexual harassment; and*
- *inform employees of the help and rights of redress available with respect to sexual harassment.*

4. Application

This clause applies to:

- *both men and women equally;*
- *relations between the employer's staff and salaried workers, as well as among salaried workers; and*
- *salaried workers who are victims of sexual harassment while in the performance of their duties by outside individuals (client, supplier, subcontractor, trucker, etc.) and over whom the employer may exert a certain influence.*

5. Measures

The parties will raise the awareness of salaried workers and persons excluded from the bargaining unit with regard to the issue of sexual harassment and provide them with adequate training in this respect.

The parties will inform victims of sexual harassment on the help and right of redress available to them.

The parties will inform the perpetrator of the aggression of the external resources available in order to correct such behaviour.

6. Committee

The parties will set up a joint committee on the issue of sexual harassment. This

committee will include one employer and one union representative.

7. Mandate

The joint committee's mandate is to:

- *implement the means of action provided for in paragraph 5;*
- *accept complaints; and*
- *investigate complaints submitted.*

8. Confidentiality

The parties agree to keep all complaints submitted to the Committee in the strictest confidence.

9. Information

The parties agree not to publish or distribute sexist posters, notices or brochures.

With the well-being and healthy lifestyle of their employees in mind, certain organizations are adopting work-life balance programs in order to help workers balance their professional and personal lives. These programs are, among other things, linked to time management, the location of health and leisure facilities, family-related leave and daycare services.

In Canada, there are 18 currently listed collective agreements (for 57,480 workers) that contain clauses linked to health and leisure facilities.

Laurentian Bank of Canada – Laurentian
Trust of Canada Inc. and Office and Professional Employees International Union, Local
434, 2000–2001, 0456705

*[Translation]
Sports and Health Club*

The Bank maintains, for employees who benefited before the effective date of the present agreement, a refund of membership fees for sports or health clubs or preventive

medicine centres, according to the standards and procedures for employees excluded from the bargaining unit.

According to a study conducted by Barbeau (2001), workplace daycare centres provide many benefits for the employer. For instance, they facilitate employee retention and serve as key recruitment tools for new applicants; they minimize employee tardiness and absenteeism; they ease the reintegration of employees returning from maternity or parental leave; they can improve worker satisfaction, motivation, commitment and morale; and they can decrease stress and the symptoms of stress in the workplace.

This same study, however, states that daycare centres can also have negative impacts for the employer, such as the creation of a financial obligation, an eventual legal liability and a possible distraction for parents wishing to spend more time with their children during business hours.

In addition to providing on-site daycare services, some employers support employees with child care concerns by establishing a child care fund from which subsidies are paid to parents and by maintaining child care referral lists.

Twenty-five (25) collective agreements that contain daycare provisions have been compiled. These cover 195,920 employees.

Canada Post Corporation and Canadian Union of Postal Workers, 2000–2003,
0890204

CHILD CARE FUND

1. The Corporation and the Union recognize the need for good quality affordable child care services for all employees. Consequently, the Corporation agrees to contribute to a child care fund and the Union agrees to administer this fund in accordance with the following provisions.

2. *The fund is used exclusively for the following purposes:*
 - (a) *establish and support information programs dealing with child care;*
 - (b) *conduct analyses and research to assess child care needs and the methods used to meet these needs;*
 - (c) *establish or assist in establishing child care facilities and oversee their operation;*
 - (d) *pay subsidies for child care services;*
 - (e) *reach agreements with child care facilities or other institutions to provide or facilitate child care;*
 - (f) *hire staff or reimburse the salary of bargaining unit employees on Union leave for the above-mentioned purposes.*

3. In principle, only those employees in the bargaining unit and their children may benefit from admission in a child care facility and be eligible for a subsidy.

However, insofar as other places remain available, they are offered by preference to other employees of the Corporation and their children. However, the fund shall not assume the costs of these services.

Many collective agreement provisions seek to foster work-life balance. They are linked, in particular, to overtime hours, work schedules, flexible work arrangements, shorter work hours and telework.

Maternity, parental and adoption leave, as well as pregnancy-related provisions, are also closely linked to work-life balance. Certain organizations even offer their employees a broad spectrum of leave provisions linked to family responsibilities, from child care and family health-related leave to personal leave (Rochon 2000).

Workplace Information Directorate data reveal that 555, or 47.8 per cent, of the 1,161 current collective agreements contain maternity leave-related clauses. Of these agreements, 317 (57.1 per cent) state the percentage of salary paid by the employer even when part of this benefit is covered by employment insurance—also referred to as "top-up". Of these 317 agreements, 316 employers pay 50 per cent or more of the regular wages of an employee; in 297 agreements (93.7 per cent), employers cover 75 per cent or more; and 16 agreements (5.0 per cent), employers offer the maximum allowed under the *Employment Insurance Act*.

Nevertheless, there are still many collective agreements that do not contain any provisions relating to maternity leave. Workers covered by these agreements are legally entitled to maternity leave and to the benefits provided for under the *Employment Insurance Act*; however, they do not receive top-up benefits from their employers.

As well, these workers are subject to a waiting period before benefits commence. The *Employment Insurance Act* stipulates that, as for any other application for unemployment benefits, a waiting period (normally two weeks) must be observed before maternity benefits can be paid out. Top-up benefits offered by certain employers may cover this two-week waiting period.

Maple Leaf Mines Inc. and United Food and Commercial Workers International Union,
Local 8 (2), 1999-2003, 062-807

A female employee shall be granted a maternity leave of absence by the Company; said employee shall be re-employed by the Company after the birth, providing she returns to work within seventeen (17) weeks unless she is entitled to and so chooses to take parental leave immediately following her maternity leave. The employee must make application, in writing, within eight (8) weeks after the birth, and give the Company a minimum of two (2) weeks' notice in

advance of the day she intends to return to work. She must provide the Company with a doctor's certificate, certifying her to be medically fit to work. In cases of physical complications, the employee may request an extension of her leave of absence up to but not exceeding an additional twelve (12) weeks, provided such request is accompanied by a doctor's certificate setting out the nature of the complications.

EMC Technologies Canada Ltd. and Space Systems Engineers and Technicians Association, 2002-2004, 107-307

26.02 Maternity Leave

An employee who becomes pregnant is entitled to a maternity leave of absence without pay from work up to a maximum of eighteen (18) weeks.

An employee entitled to maternity leave may exercise her discretion as to the division of time before and after the birth. However, the leave may not begin prior to the sixteenth (16th) week preceding the anticipated date of birth.

At least three (3) weeks before going on leave, the employee must give the Company a written notice indicating the date she plans to begin her maternity leave and the date she will return to work. This notice shall include a medical certificate attesting the pregnancy and the anticipated date of birth. If the employee does not report to work on the return date stipulated in the notice given to the Company, she shall be considered as having resigned unless the Company received a written justification prior to the return date.

As of the sixth (6th) week before the anticipated date of birth, the Company may demand in writing that a pregnant employee who is still working provide a medical

certificate attesting that she is fit to work. If the employee refuses or fails to provide this certificate within eight (8) days, the Company may force her to go on maternity leave immediately by sending her a written notice to this effect.

Upon return from maternity leave, an employee is reinstated in her regular position with all advantages to which she would have been entitled had she remained at work.

During the maternity leave, the employee may receive Company benefits as long as the eligibility criteria are met.

Eligibility Criteria

To be eligible to Company benefits, the employee shall:

- 1) hold a regular, full-time position;*
- 2) have completed at least one year of continuous service with the Company;*
- 3) be eligible to employment insurance benefits during her maternity leave;*
- 4) deliver a baby, viable or not, after the twentieth week of pregnancy;*
- 5) provide to the Company a copy of the benefit warrant slip that she receives from employment insurance in order to establish the benefits that she will receive from the Company.*

An employee who becomes pregnant and does not meet these eligibility criteria may obtain an unpaid maternity leave of eighteen weeks and, if she is eligible, receive maternity leave benefits from employment insurance.

Adoption leave provisions are found in 357 (30.7 per cent) of the 1,161 current agreements. The percentage of an employee's regular wages paid, either as top-up to employment insurance benefits or not, is stated in 317 (88.8 per cent) of these 357 collective agreements. One hundred and forty-three

(143) agreements (45.1 per cent) include coverage of 50 per cent or more of wages, 134 (42.3 per cent) pay 75 per cent of wages, and 54 (17.0 per cent) offer full wages.

**Hydro-Québec and Syndicat Professionnel des Ingénieurs d'Hydro-Québec, 1999–2002,
0408707**

[Translation] Adoption Leave

18. An employee who legally adopts a child, other than the child of his or her spouse or his or her own child, will be entitled to a paid leave of ten (10) consecutive weeks provided their spouse is not also benefiting from it. This leave must be taken after placement of the child, or its equivalent in case of an international adoption, as provided for in adoption legislation or at another time as agreed to by the employer. The employee may use two (2) days from these ten (10) weeks when taking interim custody of a child.

18A. An employee who legally adopts a child, other than the child of his or her spouse or his or her own child, and who does not benefit from the leave provided for in paragraph 18, will be entitled to a paid leave of two (2) working days. When an employee benefits from the leave provided for in paragraph 18, he or she may use two (2) days from those ten (10) weeks when taking interim custody of a child.

18B. An employee who legally adopts the child of his or her spouse or his or her own child will be entitled to a paid leave of five (5) days, provided his or her spouse is not benefiting from it. This leave must be taken after the start of adoption proceedings. It may be discontinued and is intended to free the employee to perform the administrative formalities of the adoption.

University of British Columbia and Canadian Union of Public Employees, 1999–2002,
0534306

Adoption Leave

In case of adoption, an employee who is eligible for and receives the benefits of the Employment Insurance Act is entitled to a leave of absence without pay of eighteen (18) consecutive weeks from the date the child arrives home. If eligible he/she shall receive the benefits of the applicable provisions of the Employment Insurance Act.

Of the 1,161 current agreements listed by the Workplace Information Directorate, 426 (36.7 per cent) contain parental leave clauses. Moreover, 81 of these 426 agreements (19 per cent) state the percentage of regular wages to be paid by the employer, even when part of the benefit is covered by employment insurance. Of these 81 agreements, 80 (98.8 per cent) offer employees 50 per cent of their regular wages, 74 (91.4 per cent) offer 75 per cent of regular wages, and 2 (2.5 per cent) offer full coverage.

EMS Technologies Canada Ltd. and Space Systems Engineers and Scientists Association, 2002–2005, 1074303

26.03 Parental Leave

An employee is entitled to a parental leave without pay, up to a maximum of fifty-two (52) continuous weeks, as per the Labour Standards Act.

26.04 Before the beginning of a leave of absence as per paragraphs 26.01, 26.02 and 26.03, the employee is informed of the work conditions that apply during his absence and those following his return to work by a Human Resources representative.

National Research Council of Canada and Professional Institute of the Public Service of Canada, 2000–2002, 063950X

19.09 Parental Leave Without Pay

(A) An employee who becomes a parent through the birth of a child (including the new-born child of a common-law spouse) or the adoption of a child below the age of majority shall, upon request, be granted parental leave without pay for a single period of up to thirty-five (35) consecutive weeks, or thirty-seven (37) consecutive weeks where the employee is subject to a waiting period referred to in 19.10 (C)(l) beginning on or after the date of the child's birth or the date of acceptance of custody of the child for adoption.

(B) Notwithstanding paragraph (A):

- 1) where the employee's child is hospitalized within the period defined in the above paragraphs, and the employee has not yet proceeded on parental leave without pay,*
or
- 2) where the employee has proceeded on parental leave without pay and then returns to work for all or part of the period during which his or her child is hospitalized,*

the period of parental leave without pay specified in the original leave request may be extended by a period equal to that portion of the period of the child's hospitalization during which the employee was not on parental leave. However, the extension shall end not later than fifty-two (52) weeks after the day on which the child comes into the employee's care.

- (C) An employee who intends to request parental leave without pay shall notify the Council at least four (4) weeks in advance of the expected date of the birth of the employee's child (including the child of a common-law spouse), or the date the child is expected to come into the employee's care pursuant to paragraph (A).
- (D) The Council may:
- 1) defer the commencement of parental leave without pay at the request of the employee;
 - 2) grant the employee parental leave without pay with less than four (4) weeks' notice;
 - 3) require an employee to submit a birth certificate or proof of adoption of the child.
- (E) Parental leave without pay taken by a couple employed in the Public Service shall not exceed a total of thirty-five (35) weeks, or thirty-seven (37) weeks where they are subject to a waiting period referred to in 19.10 (C)(l), for both individuals combined. For the purpose of this paragraph, Public Service means any portion of the Public Service of Canada specified in Schedule I of the Public Service Staff Relations Act.
- (F) Leave granted under this clause shall count for the calculation of "continuous employment" for the purpose of calculating severance pay and "service" for the purpose of calculating vacation leave. Time spent on such leave shall count for pay increment purposes.

Retirement Income Plans

As reported by Thériault and St-Onge (2000), revenues distributed to the elderly come from the Old Age Security Pension, the Guaranteed Income

Supplement, the Widowed Spouse's Allowance and the Canada Pension Plan (the Quebec Pension Plan for that province). These payments are mandatory and are completely financed through employee and employer contributions.

In addition to government plan benefits, employers may offer their employees a private pension plan that will provide them with an additional income when they leave the workforce. According to Statistics Canada, 5,431,578 workers joined registered pension plans managed by employers in 2000. This represents 33.8 per cent of the labour force and 40.6 per cent of paid workers (Statistics Canada 2003).

At the discretion of the employer, a pension plan may be contributory or non-contributory. A contributory pension plan, to which employers and employees contribute, allows for the creation of a larger retirement fund or for a reduced burden of contribution for the employer. Moreover, it increases the interest and awareness of employees with respect to the costs of the plan and contributions are tax deductible. There are, in Canada, 564 collective agreements containing contributory pension plan provisions; these represent 48.6 per cent of the 1,161 current collective agreements identified by the Workplace Information Directorate.

Sinclair-MBI (Saint-Laurent) and Communications, Energy and Paperworkers Union of Canada, Local 291, 2000-2006, 0132106

[Translation]

Appendix E – Pension Plan

2. Employee Contributions

Each participant must contribute an amount equal to 3.5% of earnings up to maximum pensionable earnings (MPE) and 6.0% of the portion of earnings in excess of MPE.

As of July 1, 2001, the participant's contribution to the Plan is equal to 4.5% of earnings up to MPE and 6.0% of earnings in excess of MPE.

For the purposes of this paragraph, the term "earnings" refers to the basic wage rate, except in the case of overtime hours, taxable benefits, allowances or special payments, and reimbursement of expenses. Earnings include work performed on Sundays that is not overtime.

If the employer decides to opt for a non-contributory pension plan, where the company underwrites all contributions, the decision will typically result in lower remuneration and accounting costs, greater employee loyalty to the company and decreased employee demands in terms of salaries and benefits. The company will also have greater control over the design of the pension plan and the management of investments (Dolan et al. 2002). Of the 1,161 currently listed collective agreements, 201 (17.3 per cent) include non-contributory pension plan provisions.

Aciers Inoxydables Atlas and Syndicat des employés de Aciers Atlas (CSN), 1999–2002
0150806

[Translation]

Appendix B – Pension Plan

Contributions

The Plan involves no deductions, the total cost being assumed by the employer.

Private pension plans, contributory or not, take three distinct forms: defined contribution, defined benefit and hybrid or combined plans.

Defined contribution pension plans are those where the employer and in some cases the employee contribute a predetermined and fixed amount to a retirement savings vehicle. Pension income depends on the yield of the invested contributions and other circumstances that could determine the actuarial value at the time when the employee takes retirement (Hébert 1992).

Defined benefit pension plans stipulate the level of income employees will receive when they retire. Benefit levels are known in advance, and contributions may vary to ensure adequate funding of liabilities (Hébert 1992).

Defined benefit plans fall into four different categories: they can be based on career average earnings (the benefit is based on a percentage of salary per year of service), on earnings in the final years (the benefit is based on average earnings over a specified number of final years), or on best earnings (the benefit is based on a fixed percentage per year of service multiplied by the average of the best three or five years), or their benefits can be predetermined and fixed (benefits are based on a fixed benefit dollar multiplied by the number of years or months of participation in the pension plan).

Hybrid or combined plans include certain characteristics of defined benefit and defined contribution plans. The various types of pension plans will be described in more detail in a future *Workplace Gazette* article.

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Coming in the Next Issue

*Selected Provisions in Collective Agreements will report on
Pension Plans and Volunteer Work Clauses.*

Calendars of Collective Agreements Expiries and Reopeners

The 2004 Calendar of Bargaining Units with 100 or more employees is available on the Workplace Information Directorate Website at

http://www.hrsdc.gc.ca, click on:

- (1) Labour and Workplace,***
- (2) Collective Bargaining,***
- (3) Agreements and Settlements.***

Innovative Workplace Practices

Bruce Aldridge
Workplace Information Directorate
Labour Program

This overview of workplace innovations is based on a review of 69 collective agreement settlements negotiated during the fourth quarter of 2003. Of these, slightly under one-half (34 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 69 settlements reviewed during the quarter, approximately 39 per cent (27 collective agreements) had a duration of 36 months. Four settlements had durations of 12 months. Twelve settlements had durations of between 22 and 29 months while 18 had durations of between 48 and 56 months. Eight settlements had durations of 60 months or more. A 96-month agreement was negotiated between Canada Post, Canada-wide and Canadian Union of Postal Workers: a first-time agreement covering 6,000 previously independent rural and suburban mail carriers.

Compensation

An **achievement incentive program** has been introduced between Bell Canada, province-wide, Quebec and Ontario and Communications, Energy and Paperworkers Union of Canada. The program, based on financial results and customer satisfaction, has an objective to provide employees with 1.5 per cent of the basic wage rate for 2004 and 2005 and 3.0 per cent for 2006, 2007 and 2008.

The agreement between Alberta Treasury Branches, province-wide and Alberta Union of Provincial Employees includes a **variable pay** plan. The plan, based on attainment of branch, regional and corporate goals, provides for an annual maximum lump-sum payment of 150 per cent of 7.5 per cent of annual salary if all goals are met.

As a **result of cost savings**, the Government of British Columbia, province-wide and British Columbia Government and Service Employees' Union recognize that there will be ongoing cost and savings accruals beyond the 2006 expiry of the current agreement. The parties agreed that savings in excess of costs will be applied to a wage increase or to other benefits during the term of the next collective agreement. The collective agreement also contains a negotiated **inflation adjustment account**. This account is used to cover cost-of-living adjustments to pensioners and to pay full or partial premiums for medical service plan coverage, extended health care and life insurance to age 65 for those employees who take early retirement. The employer contributes 2.5 per cent of salaries and effective April 1, 2005 the employee contributes 1.5 per cent of salaries, although this premium will be taken from gain sharing amounts generated.

Atomic Energy of Canada Limited, Mississauga, Ontario and Montréal, Quebec and Society of Professional Engineers and Associates have a **merit pay** provision based on the distribution and salaries of bargaining unit members. For 2003 and 2004, the merit adjustments will be 2.0 per cent of salaries and in 2005, the adjustment will be 2.5 per cent.

A recruitment and retention provision has been introduced between Greyhound Canada Transportation Corporation, various locations in Ontario, Manitoba, Saskatchewan, Alberta, British Columbia and Yukon Territory and Amalgamated Transit Union. The employer reserves the right to increase wages on a regional basis in order to retain licensed mechanics. Prior to commencing any regional market analysis, the employer will meet with the union to discuss the concerns, the process and the intent of the market analysis.

CHUM Limited and other divisions, Toronto, Ontario and Communications, Energy and Paper-workers Union of Canada have initiated a **wage protection** plan. An employee who has reverted to a lower salary group due to workforce adjustment will be subjected to the lower salary scale as follows: less than one year's service, after one month in the lower position, one to three years service, after 12 months; more than three years service, after 24 months in the position.

Three agreements contain a form of **long service bonus**. The agreement with the City of Edmonton, Alberta and Amalgamated Transit Union contains a **service bonus** whereby the operational, trades and maintenance employees receive a lump-sum payment in December of each year. Payments are calculated as follows: 5 to 9 years of service, 2¢ per hour worked; 10 to 14 years, 4¢ per hour worked; 15 to 19 years, 6¢ per hour worked; and 20 or more years, 8¢ per hour worked. The City of Montréal, Quebec and Montreal Firefighters' Association have a **seniority bonus** which provides 2.8 per cent of wages of employees with more than five years of seniority; effective January 1, 2004, 2.7 per cent, January 1, 2005, 2.6 per cent, and January 1, 2006, 2.0 per cent. The Caisses populaires du Saguenay-Lac-St-Jean, Quebec and Fédération du commerce inc. have established the following **long service vacation and bonus** schedule.

Seniority	Additional Vacation	Bonus
15 years	-	\$250
20 years	-	\$500
25 years	1 week	\$500
30 years	2 weeks	\$750
35 years	3 weeks	\$1,000
40 years	4 weeks	\$1,000

Working Conditions

The Conseil scolaire acadien provincial, province-wide, Nova Scotia and Nova Scotia Teachers' Union have introduced an **out-of-school instructional service**. Teachers shall be required, on request by the principal, and with reasonable notice, to provide students who are absent, with copies of lesson plans that were prepared and taught by the teacher, course outlines, sample tests and examinations, and such other materials as the teacher might prepare for the student's class. However, teachers shall not be expected to prepare additional materials, or to release tests and examination materials prior to their release to the class.

Canada Post Corporation, Canada-wide and Canadian Union of Postal Workers have a provision concerning **rotation of duties**. The employer will make every reasonable effort to ensure that an employee assigned to coding duties or manual loose loading or unloading of parcels from vehicles will not be required to perform these duties for the entire shift.

A new **retirees health spending account** applicable to employees who retire on or after January 1, 2003 has been established between Manitoba Hydro, province-wide and International Brotherhood of Electrical Workers. The individual account will be initially limited to \$350 per year, but will be indexed annually by 2.5 per cent commencing January 1, 2005. Additional benefit improvements, valued at 0.25 per cent of basic salary annual payroll, will be added to the account in 2005,

unless the coalition of unions advises the employer by December 1, 2004 that it wishes to allocate the funds to improvements to the Manitoba Hydro Supplemental Pension Plan. The coalition will provide the employer with a reasonable opportunity to discuss the two options prior to making its final decision.

First Air, Canada-wide and Canadian Auto Workers have introduced an **attendance award leave** provision. An employee shall receive two days' additional vacation leave for perfect attendance and one day if sick for only one day during the year.

A **frequent travel leave** provision has been initiated between the Office of the Superintendent of Financial Institutions, Ottawa, Ontario and Professional Institute of the Public Service of Canada. Employees who travel and are away from their residence for 40 nights in a fiscal year will receive one paid day plus one extra day for each 20 additional nights, to a maximum of five paid days per year.

The Municipal Corporation of Iqaluit, Nunavut and Public Service Alliance of Canada have a **child care paid expense while on travel**. An employee, who is required to travel on behalf of the employer, may be reimbursed a maximum of \$35 per day, per child, upon provision of a receipt.

Job Security

A **plant closure** clause appears in two agreements. Weyerhaeuser Canada, Kamloops, British Columbia and Communications, Energy and Paperworkers Union of Canada offer a **severance** payment in a lump-sum payment equal to two weeks' pay per year of service to a maximum of 52 weeks' pay. ThyssenKrupp Fabco, Windsor, Ontario and Canadian Auto Workers have a provision for 20 weeks **notice or pay in lieu** in case of a closure.

MTD Products Limited, Kitchener, Ontario and Canadian Auto Workers have a **work injury** provision. An employee who has been injured on the job and must make follow-up-appointments with a physician will be paid for a maximum of 10 visits.

Mayne Logistics Loomis, province-wide, Ontario and Canadian Auto Workers have also negotiated a new work injury provision. Employees who become **incapacitated** as a result of a work related injury **will not be terminated** as long as work is available that medical restrictions will allow them to perform; the employer will provide such employees with 10 days of training. In addition, a **substance abuse** provision has been negotiated between the parties. The employer will provide all normal group insurance benefits while an employee is under a medically prescribed course of treatment, and will pay the costs of the treatment if the institute chosen is not covered under the Ontario Health Insurance Plan.

The Government of Manitoba, province-wide and Communications, Energy and Paperworkers Union of Canada have amended their policy concerning **military leave** to permit leaves of absence of up to three years for the purposes of military service in the Canadian Forces.

Funds

An **employee assistance** fund has been established with the City of Montréal, Quebec and Canadian Union of Public Employees. The employer contributes 2.3 per cent of the total payroll to the fund to provide emergency assistance to employees who fall sick or suffer accidents.

Sun-Rype Products Ltd., Kelowna, British Columbia and International Brotherhood of Teamsters have an **education** fund whereby the employer contributes 2¢ per hour worked to the union's shop steward fund; effective September 1, 2004, 3¢ per hour worked.

The agreement between Canada Post Corporation, Canada-wide and Canadian Union of Postal Workers contains a **child care** fund. The employer will contribute \$300,000 each quarter and 1/2 of one per cent of the employer's annual net operating profits to the fund. Employee's children, grandchildren and dependent adult children with special needs may benefit from admission in a facility and be eligible for a subsidy.

Training

The City of Montréal, Quebec and Montreal Firefighters' Association have introduced **modifications to individual work schedules** so as to facilitate training and development programs. Tuition fees will be reimbursed to employees who take an approved relevant career planning course.

Weyerhaeuser Canada, Kamloops, British Columbia and Communications, Energy and Paperworkers Union of Canada have a provision to cover apprentice **out-of-town training expenses**. On successful completion of the required period of vocational school training, the employer will reimburse expenses to a maximum of two hours' pay per day on a 7-day per week basis at the first year apprentice rate.

Labour-Management Committees

During the fourth quarter of 2003, 12 of the 34 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

Atomic Energy of Canada Limited, Mississauga, Ontario and Montréal, Quebec and Society of Professional Engineers and Associates have introduced a **non-monetary issues resolution** committee. The committee has been established to resolve, or engage a mediator to help resolve, outstanding issues: contracting-out; competition for positions within the bargaining unit, including work outside Canada; layoff positions; and the definition of a program for development and training funding of up to 3.0 per cent of payroll.

A **labour relations** committee has been created between the City of Montréal, Quebec and Montreal Firefighters' Association. Employees will be involved in the process of reorganizing the work and improving the workplace atmosphere as well as other aspects of labour relations.

Bell Canada, province-wide, Quebec and Ontario and Communications, Energy and Paperworkers Union of Canada have introduced an **enhanced mobility** committee which will recommend measures to facilitate employee mobility within the company and to improve employees' access to information about the career opportunities available.

Other committees described in collective agreements include such items as training, pension plan recommendations, work reorganization and employee assistance programs.

Innovative Workplace Practices

Previously published innovative workplace practices from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Website at

<http://www.hrsdc.gc.ca>, click on:

- (1) *Labour and Workplace*,
- (2) *Workplace Information and Innovation*,
- (3) *Workplace Innovations*.

Labour-Management Partnerships Program

Projects

*Federal Mediation
and Conciliation Service, Labour Program*

The Labour-Management Partnerships Program is a centralized federal contribution program of the Federal Mediation and Conciliation Service. The program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together. Participants (union and employer or an association which represents both) must contribute at least 50 per cent of the total cost of the project in cash or in kind. In most projects, however, participants contribute considerably more than half of the total costs.

The Program supports initiatives aimed at promoting productive, innovative workplaces; fairer, more accessible workplaces; and improved labour-management relations. Only pilot or demonstration projects are eligible for funding. Funds are not available for activities which represent the ongoing operations or business plan of an organization, job-training activities, business start-ups, or the introduction of new technologies. Funds are awarded on a competitive basis and preference is given to projects involving companies and unions under federal jurisdiction.

The Labour-Management Partnerships Program has been funding projects since 1991. The Program's 2003-2004 budget is \$1.6 million. Projects can run for two years and funding of up to \$100,000 is available.

Copies of final project reports are available from the parties and through the departmental library.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most reports will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation and Canadian Media Guild (CMG)

This project is evaluating a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation website at <http://www.cbc.ca> .

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada.

City of Toronto and Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues, including bargaining. The approach will be introduced to line management and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations.

Femmes regroupées en options non-traditionnelles and Société de transport de Montréal and Syndicat du transport et des employés des services d'entretien (CSN)

The objectives of this project are to produce a 25-minute video outlining the myths and realities of women working in predominantly male environments. Supporting training material, including training techniques, is also being developed to ensure that managers and union stewards are fully aware of their responsibilities to women workers in non-traditional occupations.

Visit Femmes regroupées en options non-traditionnelles at <http://www.front.qc.ca>.

Ford of Canada Ltd. and the Canadian Auto Workers' Union

The union and the company have received funding for a film looking at three types of harassment: gender, racial and sexual orientation. Using actors to portray events, the film will recreate harassment incidents, and give direction to victims of harassment and their union representatives and co-workers on how such situations should be handled to further the goal of eliminating harassment in the workplace. A joint steering committee is overseeing the concept, treatment, rough and fine cut reviews and pilot testing. The film will be used as a training tool in CAW-represented workplaces and in other unionized and non-unionized workplaces.

John Forsyth Shirt Company and Ike Behar Inc. and Union of Needletrades, Industrial and Textile Employees

The project aims to prevent and reduce work-related musculoskeletal disorders in the clothing industry by developing and implementing an ergonomics program. The program involves all interested parties—management, workers, union representatives and researchers—who work together as an Ergonomics Change Team. The teams' functions are to assess and prioritize the risky jobs in the plant and to brainstorm, develop and implement solutions. This is the final phase of a project which began in 2001. Project results will be published and widely distributed, via the union's website and newsletter, in an easy-to-read self-help guide developed for employers, health and safety representatives, and workers.

Visit the Union of Needletrades, Industrial and Textile Employees' website at <http://www.unite-svti.org> .

Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec

The purpose of this project is to create a portal on the RHRI website dedicated to union-management partnerships. It will include samples of best practices in labour relations, articles, research papers, guides, manuals, etc., as well as practical tools to guide companies, unions and industrial relations professionals in the development of constructive employer-union relationships.

Visit the Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec's website (French only) at <http://www.rhri.org> .

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives.

Visit Queen's University website at <http://www.queensu.ca> .

Threads of Life

This organization represents families who have experienced a workplace fatality, injury or illness. Working with the Ontario Federation of Labour, the Industrial Accident Prevention Association of Ontario and families, this two-year project will result in the development of a pilot peer support program, a facilitator's guide and a training program. The project is targeting families who have either experienced a workplace loss or had a loved one experience a life-altering injury or illness in the workplace. As part of the project, the group will hold a Family Forum and launch a Canadian support network.

University of Calgary

In conjunction with a union-management steering committee, the applicant is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives.

Visit the University of Calgary website at <http://www.ucalgary.ca>.

Westfair Foods Limited and United Food and Commercial Workers Union, Local 247

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

For more information, contact the Labour-Management Partnerships Program,

Federal Mediation and Conciliation Service

at (819) 994-5470 or 1-800-563-5677 or

visit their Website [Website at](http://www.hrsdc.gc.ca)

<http://www.hrsdc.gc.ca>, click on:

- (1) Partnership and Funding,**
- (2) Labour Partnerships.**

Labour-Management Partnerships Program

*Federal Mediation
and Conciliation Service, Labour Program*



Creating a Respectful Workplace—A Successful Approach in Saskatoon, Saskatchewan

A project in Saskatchewan funded in part by the Labour-Management Partnerships Program—jointly sponsored by the City of Saskatoon and the Amalgamated Transit Union, the Canadian Union of Public Employees, the International Fire Fighters Association, the Public Service Alliance of Canada, the Saskatoon Civic Middle Management Association and the Exempt Staff Association.

Personal harassment can be a very difficult issue both for those who are directly involved, and for others in the workplace who are affected indirectly. The situation was no different for employees of the City of Saskatoon.

Background

Prior to the introduction of a Workplace Harassment Policy by the City in 1995, there had been no formal procedures to deal with harassment issues. Once the policy came into effect, Human Resources began to document cases, and over the years, found that personal harassment had become an important issue. There was concern that problems were not being handled effectively. Complaints were reaching a crisis level before a proper investigation took place and attempts were made to resolve the problem.

Informal discussions between employer and union representatives revealed a shared sense of unease about the effectiveness of the policy which led to a

meeting in September 2002, between Human Resources and the city's unions and associations to discuss the issue. It was discovered that the resolution of complaints at a high level created a situation that resulted in continuing resentment. For example, witnesses were placed in a difficult position both during and after the problem was dealt with. There was an increased use of sick leave as well as transfers to other worksites. At times, unions were in the awkward position of defending members on opposite sides of a complaint.

The unions consulted with their memberships and reconvened with the City in October 2002, to determine how to improve the process. There was a sense that the issue of the City and personal harassment needed to be returned to the workplace for resolution. A sub-committee made up of representatives from three of the nine unions/associations and two representatives from Human Resources was established. The terms of reference for the sub-committee included the development

of a new policy. In addition, it was decided to provide conflict management training to managers, supervisors and union executives to provide the right tools for implementing the new policy. The final part of the project was to develop an effective communication plan to deliver the message to all employees.

A new "Respectful Workplace Policy" was developed to replace the personal harassment portion of the Workplace Harassment policy. In February 2003, the City instituted the new policy, and during the following two months meetings were held with 250 managers, supervisors and union executive members who were provided with information on the new policy and the training that would accompany it.

In order to resolve conflicts at an earlier stage, the new policy called for two informal steps followed, if necessary, by a two-step formal process. The training was designed to provide conflict resolution training to all those who might be required to use those skills, particularly at the early stages of the complaint process.

The Project

At this point, the City and the unions applied to the Labour Program of Human Resources Development Canada for funding under the Labour-Management Partnerships Program (LMPP). They asked for help in funding the training and communications part of this process. Working with a program officer from the Labour Program, the application was developed and an LMPP contribution of \$26,100 was approved.

A two-day conflict resolution course was developed and delivered by a consultant. Groups of up to 20 at a time took the course and by the end of the project in December 2003, more than 300 employees had taken the training.

Course objectives included: the management of conflict constructively to support a respectful workplace; the development of essential skills for managing conflict constructively; and the dynamics that affect conflict situations. As well, a self-assessment tool was used to determine personal conflict-handling modes. One participant was particularly pleased with this aspect of the training and said: "The self-evaluation was great—know thyself."

The course was very well-received. The following replies were received to the post-course evaluation question "In what way can you apply the learning?"

- "Reframing. Seeking out the interests and not jumping to problem solving."
- "I think these skills can be used professionally and personally in every disagreement."
- "Should have learned this in high school ...dealing with angry people anywhere."
- "By dealing with the small staff problems that arise on a daily basis."
- "Learn to gather the courage to deal with issues rather than avoidance."

The following replies were received to a second question: "What was the most valuable part of today's session?"

- "I may not use the process model to a tee; however, I do think I will be more aware of how to handle people, what is going on and how what I say affects others."
- "Focussing on being non-defensive and trying to learn how to really understand the messages being sent to me by another person."
- "How to identify problems, notice the signs and come to a peaceful conclusion."

What's Happened Since the Project Finished?

Two further conflict resolution sessions will take place in 2004, to accommodate the last 40 people who require training. To deal with future needs, the City will offer the course annually in order to train new employees. As well, the City created a one-day course for front-line staff on diffusing anger.

A Word About Communications and Marketing

Right from the start people realized that communications and marketing would form an integral part of the introduction and success of this project. Employee communication was kept in the forefront and both the City and the unions were active in getting out the message. The City's Communications Branch created a communications plan and hired a marketing company to create a "look" for the campaign.

With a modest budget of less than \$5,000, and facing a large and diverse employee group (e.g. transit, administration, firefighters, sanitation, parks, etc.) the marketing company developed an effective graphic for the campaign: a plain white coffee cup—with personality! The campaign was so successful, the marketing company is submitting it for a communications award.

Final Comment

The project met with obvious success, which will have long-term benefits. One project participant summed it up: "Right from the beginning this was a joint project and we all had the same concerns. Involving everyone takes longer, but it's more effective."

Saskatoon Shines!

The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program.

*The project was made possible by financial assistance from the Labour-Management Partnerships Program,
Federal Mediation and Conciliation Service, Labour Program.*

Telephone: (819) 994-5470 or 1-800-563-5677

Website: <http://www.hrsdc.gc.ca>, click on:

- (1) Partnership and Funding,*
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Competitiveness and Collective Bargaining in Canada

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Introduction

This paper considers whether collective bargaining is changing in an era of globalization and trade liberalization. By examining selected collective bargaining indicators, it is possible to gauge the impact of competitiveness on labour-management relations generally and identify differences between the public and the private sectors. The collective bargaining indicators selected for study include (1) union density, (2) bargaining structure, (3) the duration of contract negotiations and length of collective agreements, (4) wage settlements and the union wage premium, and (5) strike activity.

The primary objective of this paper is to consider the net impact of competitiveness on the aforementioned collective bargaining indicators. In doing so, it is important to note that the availability of data varies across indicators. Accordingly, statistics have been collected from multiple sources and cover different time periods. At the same time, no systematic attempt has been made to examine the relationship between globalization and trade liberalization, on the one hand, and changes in collective bargaining, on the other. Our purpose is more modest and impressionistic. It attempts to draw inferences about the possible influence of these competitive forces on collective bargaining. It is recognized that observed changes may be due to various economic and political factors, for example, international competition, changes

in domestic and industry-level competition, deregulation, macroeconomic influences (e.g. recessions) and changes to labour laws (Voos 1994).

Rise in Competitiveness

Competitiveness has been a major environmental factor in collective bargaining over the past 20 to 25 years. In the private sector, globalization, trade liberalization, deregulation, increased capital mobility, and new production technologies and methods have arguably strengthened the relative bargaining power of employers. In the process, these factors have influenced the ability of unions to take wages out of competition and worker militancy (Chaykowski and Gunderson 2001; Gunderson, Hyatt and Ponak 2001).

Many of the same forces have influenced labour relations in the public sector. The embrace, in whole or in part, of the notion of "reinventing government" has led to the adoption of "best practices" from the private sector; changes in the size, scope and role of government; and the introduction of more efficient approaches to the delivery of public services. Rising budget deficits and public debt in the early 1990s accelerated the drive to adopt cost-saving measures. Such measures included reductions in government expendi-

tures and public employment, restructuring of the public sector and the introduction of various wage restraint laws (Belman, Gunderson and Hyatt 1996; Swimmer 2001). According to Gunderson and Hyatt (1996: 245), competitiveness became an increasingly important factor shaping government policy and practice.

Global competition and capital mobility have enhanced the importance of market forces in constraining political decision making with respect to legislative initiative and social policy. Political jurisdictions must now pay more attention to the implications of these policies for costs and competitiveness. In essence, different jurisdictions increasingly compete for business investment and the jobs associated with that investment. Such competition can be on the basis of reducing government expenditures and regulations, as well as on emphasizing government programs and infrastructures that can enhance competitiveness. This, in turn, can have important implications for the size and function of the public sector.

Less certain is the actual impact of increased competitiveness on labour-management relations. The pessimistic view suggests there will be increased conflict. The optimistic view emphasizes increased labour-management cooperation (Verma and Chaykowski 1999: 344).

One view would hold that increasing competitive pressures from the environment would put the relationship under greater strain. This could, in turn, result in the deterioration of labour-management relations. Under this scenario, indicators of strife, such as strikes, grievances and arbitrations would increase. Another possibility is the parties would be driven closer together to face a common external threat. In this scenario, collective bargaining is viewed as a sufficiently

flexible and accommodating process within which the parties can (successfully) adjust their expectations, tactics and strategies to meet the needs of the environment.

It is recognized that a number of factors have put pressure on the industrial relations system and collective bargaining in particular. For example, technological changes have increased competitive pressures, altered production processes and promoted organizational change. Legal changes supporting deregulation have promoted competitiveness, and a de-liberalization of labour laws has arguably constrained the ability of unions to recruit new members and restricted the practice of collective bargaining. An examination of collective bargaining indicators in the public and private sectors should shed light on the impact of competitiveness on labour-management relations.

Collective Bargaining Trends

Union Density

Union density in Canada averaged in the mid-30-per-cent range between 1980 and 1995, before declining to 31.9 per cent in 2002. Historically, tracking density trends by sector has relied on estimates because of the lack of reliable time series data and clear distinctions between private and public sector employment. Beginning in 1997, the *Labour Force Survey* (LFS) became a useful source for establishing density rates in the two sectors. The earlier estimates and the LFS series disclose significant differences in the level and direction of union density in the public and private sectors. Private sector density declined from an estimated 21 per cent in the mid-1980s to 19 per cent in 1997 and 18 per cent in 2002 (Godard 2003). Density in the public sector has remained stable for many years and stood at 72.5 per cent in 2002 or four times higher than in the private sector (Akyeampong 2001; Workplace Information Directorate 2002).

To some extent, the decline in private sector density is attributable to competitiveness as it was "greatest in manufacturing and natural resources sectors, which have been most susceptible to increased market pressures and capital flight since relaxation of trade barriers in the early 1980s" (Godard 2003: 470).

However, two other factors have arguably assumed the major role. First, harsh economic conditions were a contributor as Canada experienced generally sluggish economic performance from the mid-1980s to the latter part of the 1990s. Second, political factors also made it more difficult for private sector unions to recruit new members and reverse the decline in density. Indeed, political forces may have more to do with union decline than market forces (Godard 2003). Whereas Canadian labour policy has facilitated union expansion for 50 years, neo-conservative governments in several Canadian jurisdictions have made organizing more difficult (basing certification on mandatory secret ballot votes rather than signed membership cards). By the same token, such changes have not undermined the fundamental right to join a union and bargain collectively. More broadly, labour law deregulation and attacks on industrial relations institutions (Burkett 1998) have not led to a paradigm shift or a convergence of Canadian and American collective bargaining laws. It is noteworthy that efforts to establish a right-to-work law in Alberta collapsed (Ponak, Reshef and Taras 2003).

In the public sector, unionization approached the saturation point by the late 1970s, and density has consistently been in the 70 to 75 per cent range. Over the past decade, the public sector experienced massive government restructuring and downsizing. For example, the senior levels of government responded to severe budget deficits by reducing staff levels by 15 to 22 per cent between 1991 and 1996 (Swimmer 2001). Although union membership levels were

affected by austerity measures, public sector union density remained stable. As such, government responses to an increasingly global and competitive environment have not had a discernible impact on union density.

Bargaining Structure

Although current data are not available, bargaining structures in Canada have traditionally been highly decentralized. Over 80 per cent of the negotiating units covering 500 or more employees involve single-employer units (Craig and Solomon 1993). Consistent with international trends (Katz 1993), the private sector in Canada has experienced further bargaining structure decentralization and disruptions to pattern bargaining since 1980. Intensified international competition has given employers greater bargaining leverage to achieve collective agreements tailored to the individual firm and has limited the ability of unions to take wages out of competition. Changes in bargaining structures aimed at altering the long-run balance of power between the parties have frequently been associated with intense labour strife (Kochan 1980).

Some shifts in bargaining structure reflect changes in domestic competition. The most notable example was the demise of 40 years of national pattern bargaining in the meat-packing industry. This change was initiated by employers in response to a decline in product demand, a rise in low-wage, non-union competition and overcapacity (Forrest 1989). Globalization has contributed to structural changes, including a shift in bargaining from the corporate to the plant level at Stelco, Canada's largest steel producer (Frost and Verma 1999), fragmentation of bargaining structures in the pulp and paper and forestry industries in British Columbia (Kennedy 2000; Williamson 1994), and the decline of pattern bargaining in oil refining (Bourette 1996).

It must be noted that decentralization has not always been the response to globalization. Despite the internationalization of automobile production, pattern bargaining and three-year agreements remain intact in the Canadian automobile industry (Kumar 1999).

Conversely, competitiveness has contributed to the centralization of bargaining structures in the public sector. In the broader public sector, restructuring and rationalization led to the amalgamation of municipalities, school boards and health care institutions. These changes reflect efforts to reduce administrative costs and exert greater control over budget expenditures. In British Columbia, centralized bargaining outside the public service (already centralized) has been encouraged, and the Public Sector Employers' Council was created "to co-ordinate bargaining for most components of the public sector in the province, establishing an explicit role for the provincial government in collective bargaining, compensation, and human resources management for the first time" (Thompson 2000: 168).

Duration of Contract

Negotiations and Collective Agreements

Globalization and trade liberalization can be expected to lead to greater pressure on and intensification of the collective bargaining process. Table 1 presents Ontario and national figures on the duration of negotiations. Between 1987 and 1991, the duration of negotiations in Ontario typically averaged less than six months. In contrast, the duration of negotiations in subsequent years typically averaged more than six months. This pattern largely reflects changes in the public sector. Whereas the length of contract negotiations was relatively stable in the private sector (the annual average ranged from 3.2 to 4.4 months), the duration of bargaining in the public sector rose beginning in 1992 (the annual average ranged from 7.0 to 13.7 months). Between 1991

Table 1

Average Monthly Duration of Negotiations

Year	Ontario			National
	Public Sector	Private Sector	Total	
1987	6.9	3.7	5.3	10.5
1988	6.8	4.4	5.6	9.2
1989	9.4	3.7	7.2	10.9
1990	7.0	3.6	5.3	10.2
1991	5.6	4.2	5.1	4.4
1992	8.2	4.1	6.3	7.9
1993	7.3	3.2	5.8	6.9
1994	7.6	4.4	6.5	7.5
1995	9.4	4.4	6.9	8.3
1996	10.4	3.6	7.9	11.2
1997	9.6	3.2	7.4	12.3
1998	12.9	3.8	8.8	11.8
1999	13.7	4.3	10.3	13.0
2000	7.0	3.6	5.8	11.9

Sources: Office of Collective Bargaining Information, Various years, *Ontario Collective Bargaining Review*, Toronto: Ontario Ministry of Labour; Special Tabulation provided by the Workplace Information Directorate, Human Resources Development Canada.

and 1999, more than 50 per cent of the public sector agreements took more than six months to complete and 25 per cent took more than 12 months to complete. The more protracted nature of public sector negotiations is largely a response to public sector restructuring. Although the national figures do not distinguish between sectors, the overall increase in average time spent in negotiations is likely a public sector phenomenon.

Table 2 provides figures on the duration of collective agreements in Ontario and nationally. Both sets of figures show the lengthening of collective agreements. For example, between 1987 and 1992, over 70 per cent of the collective agreements in Ontario were for 24 months or less, and about 20 per cent of the agreements were for 36 months (except in 1988). Agreements exceeding 36 months were rare (about 2.0 per cent of the total). From 1993 to 2000,

the proportion of agreements of 24 months or less was nearly halved, and 36-month agreements rose to over one-third the total (and reached 48 per cent of the total in 2000). There was also a steady rise in agreements exceeding 36 months (over 10 per cent of the total in each year after 1997). The average duration of contracts increased by 30 per cent, from 24.7 months in 1990 to 32.2 months in 2000 (Van Alphen 2001). The national figures are broadly consistent with this trend.

Although data are not available by sector, the longer collective agreements have been largely associated with private sector developments. For example, in Ontario and Quebec, longer contracts can be attributed to increased labour-management cooperation, economic instability, restructuring and the need to be competitive globally. In some cases, longer contracts have followed major labour disputes. The push for and achievement of long-term agreements in a number of major industries (e.g. steel, pulp and paper, and meat packing) reflects the increased bargaining power of employers (Van Alphen 2001). In Quebec, the emergence of social contracts (six-year agreements) sought to promote cooperative labour relations and was facilitated by amendments to the *Labour Code* to permit long-term collective agreements (the statutory maximum had been three years). This development offers perhaps the best example of how globalization has contributed to the creation of new labour-management partnerships (Murray, Levesque and Vallee 2000: 240).

Table 2

Average Duration of Collective Agreements

Year	Ontario			National Average in Months
	24-Months or Less %	25-35 Months %	36 Months %	
1987	73.4	5.0	20.1	29.9
1988	61.8	4.2	32.4	25.3
1989	71.6	4.0	22.2	29.6
1990	74.0	3.7	20.9	28.4
1991	76.2	3.4	19.2	18.2
1992	72.7	4.2	20.8	24.3
1993	70.6	3.6	22.5	23.9
1994	51.8	5.3	37.8	28.4
1995	54.8	6.8	31.1	32.8
1996	56.1	5.4	31.6	32.6
1997	52.8	7.0	31.5	33.9
1998	49.8	5.3	34.5	32.1
1999	39.8	4.9	36.2	36.3
2000	34.3	5.2	48.1	34.9

Sources: Office of Collective Bargaining Information, Various years, *Ontario Collective Bargaining Review*, Toronto; Ontario Ministry of Labour; Special Tabulation provided by the Workplace Information Directorate, Human Resources Development Canada.

For some, it is yet another sign of the weakening of union power in increasingly globalized markets. Unions are driven to micro-corporatist arrangements—enterprise loyalty being placed above union or industry loyalties. Others are convinced that this trend provides new opportunities to underwrite the institutional role of unions, and, by extension, the participation of their members in the life of the firm. What is clear is that a formal rule, in place for most of the period since the Second World War, has changed considerably in the last few years, and that this can be directly linked to globalisation.

Wage Outcomes

Over the past 20 years, there has been a downward trend in negotiated wage settlements covering bargaining units with 500 or more

employees (Table 3). In the 1980s, public sector wage settlements were higher than those in the private sector. Using a wage index (1979=100), the public sector wage index was marginally higher in 1990 (194.6 versus 193.4 for the private sector). The reverse was the case for most of the period after 1990. Using a wage index (1990=100), the private sector wage index in 2002 was 129.7 compared with 122.2 for the public sector. For the entire 1980–2002 period, the private sector wage index exceeded the public sector index (250.7 and 237.8, respectively). Wage settlements in both sectors lagged increases in the Consumer Price Index.

The major economic forces influencing wage settlements in the private sector have been recessions and moderate rates of inflation. Competitive pressures created by globalization, trade liberalization, increased capital mobility and new production technologies have undoubtedly contributed to the decline in wage settlements as well. In some cases, employers have backed their demands for wage concessions with threats to close

facilities. For unions, the ability to take wages out of competition has been reduced, and shifts in relative bargaining power have forced them to moderate wage demands and focus on membership demands for greater job security (Chaykowski 2001). This is supported by a recent survey in which a majority of union representatives reported that the bargaining environment has been influenced by growing

Table 3
**Average Annual Increase
in Wage Settlements and CPI**

Year	Public Sector %	Private Sector %	Total %	Annual Change in CPI %
1980	10.9	11.7	11.1	10.2
1981	13.1	12.6	13.0	12.4
1982	10.4	9.5	10.2	10.8
1983	4.6	5.5	4.8	5.9
1984	3.9	3.2	3.6	4.3
1985	3.8	3.3	3.7	4.0
1986	3.6	3.0	3.4	4.2
1987	4.1	3.8	4.0	4.3
1988	4.0	5.0	4.4	4.0
1989	5.2	5.2	5.2	5.0
1990	5.6	5.7	5.6	4.8
1991	3.4	4.4	3.6	5.6
1992	2.0	2.6	2.1	1.5
1993	0.6	0.8	0.6	1.9
1994	0.0	1.2	0.3	0.2
1995	0.6	1.4	0.9	2.2
1996	0.5	1.7	0.9	1.6
1997	1.1	1.8	1.5	1.6
1998	1.6	1.8	1.7	1.0
1999	1.9	2.7	2.2	1.7
2000	2.5	2.3	2.5	2.7
2001	3.2	3.0	3.1	2.6
2002	2.9	2.6	2.8	2.2
1980–1990 wage Index (1979=100)	194.6	193.4	194.3	196.1
1991–2002 wage Index (1990=100)	122.2	129.7	124.5	127.7
1980–2002 wage Index (1979=100)	237.8	250.7	241.9	250.4

Sources: Akyeampong (2001); Workplace Information Directorate, Human Resources Development Canada (2003).

domestic and international competitive pressures. Another three-quarters of the respondents proclaimed that management had increasingly pursued cost-reduction strategies (Kumar and Murray 2001).

In the public sector, budget deficits and restructuring measures, which included stringent wage restraint legislation, constrained wage bargaining

in the 1990s. At the federal and provincial levels, 11 of the 15 governments in power during the 1990s relied on legislative action exclusively or in conjunction with adversarial bargaining to achieve their objectives. A variety of restraint measures were imposed on public sector workers, including wage freezes, wage rollbacks, unpaid leaves of absence and limits on wage increases (Swimmer 2001). As a result, public-sector wage settlements consistently lagged private sector settlements throughout the 1990s. Even though public sector settlements were higher after 2000, they have not resulted in appreciable wage catch-up. This is significant for two reasons. First, since 1997 Canada has experienced robust economic growth, and most senior governments have eliminated their budget deficits. Second, in the past, public-sector unions have been able to achieve significant wage catch-up after falling behind the private sector (Gunderson 1995). These results suggest that relative bargaining power has shifted in favour of governments and broader public sector employers.

There is also some evidence to suggest the union impact on wages is declining. Renaud (1998) found the union-non-union wage differential declined from 15 to 25 per cent in the late 1970s to about 10 per cent in the late 1980s. By the late 1990s, the union wage premium was about 8.0 per cent (Gunderson, Hyatt and Riddell 1999; Fang and Verma 2002). It is not entirely clear whether this change reflects a decline in union bargaining power resulting from increased competitiveness or a strategic shift in union bargaining priorities favouring job security (Gunderson and Hyatt 2001). Nevertheless, it does appear that decentralization has curtailed the ability of unions to take wages out of competition in several industries.

Declining union influence is further evidenced by the disappearance of decrees in the manu-

facturing industry in Quebec. The decree system, which was established in the 1930s, provides for the extension of collectively bargained terms and conditions of employment to other union and non-union firms in a sector or geographic area. The demise of decrees illustrates how globalization has affected the balance of power between unions and employers. Specifically, by reinforcing employer arguments, competitiveness has become an increasingly important criterion shaping changes in labour policies (Murray, Levesque and Vallee 2000: 241).

... globalization meant that competitiveness arguments had become a relevant criterion for the evaluation of social policy and had legitimized the role of the ministries with a primarily economic focus, such as industry and finance, in the reform of social policies. This new role was similarly in evidence in the suppression of a maximum length for the duration of collective agreements.

Strike Activity

Strike activity generally increases in periods of economic expansion and declines when the economy is stagnant or in recession. Beginning in the mid-1960s, there was an upturn in strike activity that produced extremely high strike levels in the 1970s. This was followed by "moderate and declining levels throughout the 1980s, and a sharp drop in the 1990s" (Gunderson, Hyatt and Ponak 2001: 317).

The pattern of strike activity is broadly consistent with the wage settlement trend. As shown in Table 4, the average annual number of strikes and person-days lost in the 1990s was approximately half the number recorded in the 1980s. Although strike activity declined in both the private and the public sectors, the decline was greater in private sector. As a result, the public sector's share of total strike activity increased. From 1995 to 2002, public employees accounted for over 40 per cent of all person-days lost in

Canada, up from approximately 27 per cent in the preceding decade. In addition, public sector strikes increased from less than 20 per cent of all stoppages (1985–1994) to over 25 per cent of the total since 1995.

The overall decline in work stoppages is part of an international trend over the past two decades. As such, the pattern appears to be closely linked to the recessions in the early 1980s and 1990s. Although it is believed that globalization and trade liberalization have contributed to the downward spiral in work stoppages, the extent to which this is so is somewhat uncertain. At the same time, increased international competition has compelled employers and unions to recognize and respond to economic difficulties (Gunderson, Hyatt and Ponak 2001: 349).

In essence, there is less need to fight over the 'spoils' when there are no spoils to divide! The joint cost to both parties of engaging in strikes is also higher since competitors from abroad may permanently replace the lost output and the jobs associated with that output. Furthermore multinationals may locate their new plants and investment in countries where there is less risk of strikes.

In addition to influencing wage trends, globalization and increased competitiveness have impacted on the relative bargaining power of unions and employers. With increased capital mobility and new production methods, "firms'

Table 4
**Total Work Stoppages and
Public Sector Share of Strike Activity, 1980–2002**

Year	Total Number of Stoppages	Public Sector Share %	Total Person-Days Lost 000's	Public Sector Share %
1980	1,028	23.7	9,130	35.0
1981	1,049	25.6	8,850	25.0
1982	679	17.8	5,702	15.7
1983	645	14.7	4,441	47.9
1984	717	15.1	3,883	14.7
1980–84 (mean)	824	20.4	6,401	28.1
1985	825	19.1	3,126	20.1
1986	748	17.1	7,151	11.1
1987	668	15.7	3,810	23.2
1988	548	13.9	4,901	44.2
1989	627	22.2	3,701	44.8
1985–89 (mean)	683	17.7	4,538	27.0
1990	579	20.6	5,079	15.5
1991	463	24.8	2,516	56.7
1992	404	19.8	2,110	23.5
1993	382	22.3	1,517	23.4
1994	374	14.7	1,600	25.8
1990–94 (mean)	440	20.7	2,564	27.2
1995	328	16.8	1,582	11.6
1996	330	23.0	3,340	41.6
1997	284	20.1	3,573	54.6
1998	381	31.5	2,444	26.0
1999	413	32.7	2,446	42.4
1995–99 (mean)	347	25.5	2,677	38.8
2000	377	26.5	1,662	35.5
2001	381	29.9	2,204	52.8
2002	293	20.8	3,034	54.9
2000–02 (mean)	350	26.1	2,300	49.5

Sources: Calculations based on Peirce (2003) for 1980–2000; *Special Tabulation for 2001–2002* provided by the Workplace Information Directorate, Human Resources Development Canada.

production is no longer tied to specific regions or product markets" (Chaykowski 2001: 250). These and other pressures have not only made it more difficult for unions to take wages out of competition, but they have also moderated union militancy and fostered increased labour-management cooperation in some cases.

In the public sector, restructuring and downsizing have often been accompanied by wage restraint laws. These have affected strike activity by either removing the right to strike, limiting the opportunity to strike by extending the term of the collective agreement, or reducing the utility or feasibility of strike action in the face of imposed restrictions on compensation increases. By the late 1990s, economic expansion, fiscal stability and the removal of most public sector wage restraints altered the climate for collective bargaining. Unfortunately, the normalization of bargaining in the post-retrenchment period has not produced more conciliatory labour-management relations. On the contrary, public sector unions have increasingly sought wage catch-up and labour unrest has intensified. As noted above, governments and broader public employers remained fiscally vigilant and were largely successful in resisting these demands.

Summary and Conclusions

These results disclose important changes in the collective bargaining process and outcomes. Overall, the leading indicators of change are lengthier contract negotiations, longer collective agreements and declining wage settlements and strike activity. Other indicators—union density and bargaining structure—either remained relatively stable or exhibited only modest changes.

One issue raised by global competitiveness is whether it would lead to lower unionization and the convergence of labour laws in Canada and the United States. Our results indicate that union density has remained relatively stable since 1990. Global competitiveness has not seriously undermined union strength, nor is there evidence of a convergence of collective bargaining laws with those of the United States. Although union membership gains have not kept pace with labour force growth, unions

have successfully recruited new members to help offset losses due to attrition. In the public sector, where downsizing reduced both employment and union membership, there has been no appreciable impact on union density.

Given that unionization remained relatively stable in an era of increased competitiveness, have labour-management relationships become more strained or is there greater cooperation? In the private sector, we can point to reduced labour-management strife (lower strike activity) and greater flexibility and mutual accommodation (longer contracts and modest wage settlements). Although the impetus for longer contracts and wage moderation came from employers, such agreements often include union quid pro quos (e.g. increased employee involvement, improved job security and enhanced pension benefits). These changes reflect the ability of employers to achieve long-run stability, contain wage costs and minimize labour unrest. By the same token, adversarial bargaining strategies have not disappeared altogether, as evidenced by disputes associated with employer efforts to fundamentally alter bargaining structures. Nevertheless, the overall tenor of these relationships exhibits increased flexibility, accommodation and cooperation.

In contrast, the public sector has witnessed the centralization of bargaining structures; more protracted negotiations, but no change in the duration of collective agreements; more modest wage gains; and less substantial reductions in strike activity followed by a significant increase after 1997. Whereas developments in the private sector have been more directly influenced by the interplay of economic forces, governments have generally eschewed collective bargaining and relied on legislative fiat to alter bargaining structures, processes and outcomes. The legislative option has been pursued because it offers the prospect of quick and dependable results. In contrast, cooperative strategies are slow and

offer no guarantees of success. Adversarial hard bargaining can also be time-consuming and may lead to work stoppages (Swimmer 2001). While the extensive reliance on legislation may have produced short-run gains for governments, it has been at the expense of achieving mutual accommodation and greater cooperation. Indeed, despite the emergence of a more favourable climate for bargaining in the late 1990s—improving economic conditions, subsidizing budget problems and the removal of most legal restraints—the public sector experienced a rise in labour-management conflict. While it may no longer be accurate to suggest governments perceive their employees as a cost to be minimized, it is also difficult to assume that they perceive their employees as a source of value to be increased (Swimmer 2001). It would appear that continuing pressures to be fiscally vigilant and adopt policies to enhance competitiveness, including contracting-out and privatization or the threat to employ such strategies, have contributed to the deterioration of labour-management relations.

Despite these differences, relative bargaining power has increased for employers in both the private and the public sectors. This is reflected in several of our indicators. Where changes in bargaining structure occurred, they were initiated by employers or by government (occasionally at the behest of public employers). Whether one looks at decentralization, the breakdown of pattern bargaining or centralization in the public sector, the employer-side (or government) has had sufficient leverage to

alter structures and realign relative bargaining power. The adoption of longer-term collective agreements and the decline in wage settlements and strike activity are also indicative of a shift in relative bargaining power in favour of employers. They reflect the ability of employers to achieve long-term stability, contain wage costs and minimize labour disruptions. They also signify the reduced ability of unions to take wages out of competition in some sectors. As for the recent upturn in public sector strike activity, it largely reflects the successful effort by employers to resist union demands for catch-up wage settlements in the post-retrenchment period.

The remaining issue is which factors account for the overall increase in the relative bargaining power of employers? While international competition has undoubtedly contributed to these trends, its net effect appears relatively modest. In particular, the shift in relative bargaining power has been more heavily influenced by domestic factors. Economic recessions, modest inflation over the past decade, the rise of neo-conservatism, deregulation policies and government wage restraint laws have had a larger impact on wage settlements and strike activity. Other changes, notably increases in contract duration and alterations to bargaining structure and pattern bargaining have reflected efforts by private sector employers to respond to both increased domestic and international competition.

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Globalization and International Labour Cooperation Agreements

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"It's a small world" may seem like an over-used cliché, but if one economic and social theme underscores the dawn of the 21st century, it's globalization. Canada's success in this new century depends upon how we approach the challenges of globalization and its effects on Canadian workers and employers.

In January 2004, in Banff, Alberta, federal, provincial and territorial Labour ministers looked at an important element of Canada's strategy to harness the forces of globalization for the benefit of workers both in Canada and abroad. At their annual meeting, hosted by the Honourable Claudette Bradshaw, Federal Minister of Labour and Minister responsible for Homelessness, and the Honourable Clint Dunford, Minister of Alberta Human Resources and Employment, ministers focused on the labour aspect of international trade.



*Federal-Provincial-Territorial Meeting of Ministers responsible for Labour,
Banff, Alberta, January 22-23, 2004*

*Back row from left to right:
Minister Elmer MacFayden, Prince Edward Island; Minister Kerry Morash, Nova Scotia; Minister Michel Després, Quebec; Minister Debra Higgins, Saskatchewan; and Minister Charles Dent, Northwest Territories.*

*Front row from left to right:
Minister Tom Osborne, Newfoundland and Labrador; Minister Chris Bentley, Ontario; Federal Minister Claudette Bradshaw; Minister Clint Dunford, Alberta; and Minister Graham Bruce, British Columbia.*

The ministers reviewed an approach to provincial and territorial participation in Canada's international labour cooperation agreements. Labour cooperation agreements are side agreements to free trade agreements, which require signatory countries to respect and promote fundamental labour principles and the rights of workers. The new approach is an important step in deepening provincial and territorial involvement in the negotiation and implementation of international labour cooperation agreements.

The ministers further agreed that the Canadian Association of Administrators of Labour Legislation will prepare a draft of an intergovernmental agreement to be signed between individual provinces, territories and the Government of Canada. This agreement will describe how provinces and territories can participate in managing new labour cooperation agreements and in handling disputes over labour issues with our international trade partners. Provincial involvement in the intergovernmental agreements is important to the success of Canada's international labour cooperation agreements since most Canadian workers fall under provincial and territorial labour legislation.

Through international labour cooperation agreements, Canada promotes improved living standards and working conditions, and workers' rights abroad. Canada has signed agreements with Mexico, the United States, Chile and Costa Rica. These agreements build upon Canada's commitment to fundamental human rights, in particular the principles and rights set out by the International Labour Organization in its *Declaration on Fundamental Principles and Rights at Work*. These fundamental principles include: freedom of association and collective bargaining, the abolition of forced labour and child labour, and the elimination of discrimination in employment. The Declaration is important not only because of its wide acceptance by both business and labour, but also because it explicitly defines, based on a global consensus, the most fundamental labour rights.

A key element to improved living and working conditions is the promotion of core labour standards and one of the principal objectives of the agreements is the effective enforcement of labour legislation by all parties. Partnership and cooperation are important to the success of these agreements and cooperative activities allow countries to share information and best practices in such areas as industrial relations, occupational health and safety, labour standards, and employment and pay equity.

These agreements also allow Canada to:

- Support an international development strategy based on equitable economic growth, good governance, and the rule of law. The rule of law, as well as transparent and effective enforcement of labour legislation, supports business and commercial development and more equitable income distribution;
- Build upon our commitment to fundamental human rights, in particular the principles and rights set out by the International Labour Organization in its *Declaration on Fundamental Principles and Rights at Work*;
- Support a broad-based approach to trade and economic integration that takes into account and promotes the well-being and rights of workers and;
- Protect Canada's economic interests by seeking to ensure that legitimate government policies and actions balance the interests of workers and employers and do not become a disadvantage in competition for international trade and investment.

The ministers of Labour meet every year to share experiences and promote cooperation among labour jurisdictions in Canada. Throughout the year, ongoing work continues through the Canadian Association of Administrators of Labour Legislation, which was established in 1938 as a forum for the exchange of information and ideas about the administration of labour legislation in Canada, as well as other labour-related issues. All jurisdictions enjoy equal membership status within the association. Membership includes the deputy ministers of federal, provincial and territorial departments with responsibility for labour, as well as several chief executive officers of occupational health and safety agencies.

Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

*Strategic Policy and International Labour Affairs
Labour Program*

Federal: Order Fixing January 4, 2004 as the Date of the Coming into Force of Certain Sections of the Budget Implementation Act, 2003; SI/2003-185; Canada Gazette, Part II, of December 17, 2003

Amendments made by the *Budget Implementation Act, 2003* to the *Employment Insurance Act*, the *Employment Insurance (Fishing) Regulations* and the *Canada Labour Code* came into force on January 4, 2004. These amendments pertain to new compassionate care benefits.¹

Federal: Regulations Amending the Employment Insurance Regulations under the Employment Insurance Act; SOR/2003-393; Canada Gazette, Part II, of December 17, 2003

To complement the amendments made to the *Employment Insurance Act* by the *Budget Implementation Act, 2003* regarding compassionate care benefits, this Regulation brought a number of consequential amendments to the *Employment Insurance Regulation*. These allow compassionate care benefits to be treated in the same manner as maternity and parental benefits under various provisions (e.g. in determining what constitutes an interruption of earnings, what types of money are

considered earnings for EI benefits purposes and the rules that apply as regards a wage-loss indemnity or other similar supplemental unemployment benefit plan provided by an employer).

Three new sections were also added to the *EI Regulations*. The first of these new sections (s. 41.1) defines what constitutes *care or support* to a family member. As a result, to qualify for compassionate care benefits, a claimant must "directly provide or participate in providing care to the family member," "provide psychological or emotional support to the family member" or "arrange for the care of the family member by a third party care provider."

The second section (s. 41.2) specifies who, other than a medical doctor in Canada, may issue a medical certificate attesting to a family member's serious medical condition and significant risk of death within 26 weeks. (A person must obtain such a medical certificate to qualify for compassionate care benefits under the *EI Act* and compassionate care leave under the *Canada Labour Code*).² If the family member requiring care or support is in a geographic location in Canada where treatment by a medical doctor is not readily available, a medical certificate may be issued by a medical practitioner

— Please note that this article is based on labour legislation adopted or proclaimed before March 15, 2004.

¹ For more details, please refer to the summary of the *Budget Implementation Act, 2003*, in the Summer 2003 issue of the *Workplace Gazette*, Vol. 6, No. 2.

² This also has an impact on the definition of "qualified medical practitioner" under Nunavut's *Labour Standards Act*.

designated by a medical doctor to provide treatment. If the family member is outside Canada, the medical certificate must be issued by a medical doctor "who is recognized by the appropriate government authority and has qualifications that are substantially similar to those of a medical doctor in Canada" or, in geographic locations where no such medical doctor is readily available, by a medical practitioner designated by a medical doctor to provide treatment to the family member.

Finally, the third section (s. 41.3) sets out the rules for dividing the six weeks of compassionate care benefits where two or more persons make a claim for benefits in relation to the same family member but cannot agree on how they should be shared. In such a case, benefits are to be paid one week at a time to eligible claimants in turn, starting with the first family member to make a claim, until the six weeks of benefits have been exhausted.

The above amendments came into effect on January 4, 2004.

British Columbia: Proclamation of sections 1 to 15 of the Skills Development and Labour Statutes Amendment Act, 2003 and amendments to the Employment Standards Regulation under the Employment Standards Act; B.C. Reg. 431/2003; British Columbia Gazette, Part II, of January 12, 2004

Amendments to the *Employment Standards Act* (ESA) contained in the *Skills Development and Labour Statutes Amendment Act, 2003*, including changes to provisions regarding the hiring of children, came into effect on December 14, 2003.³

In addition, new rules pertaining to conditions of employment for children have been added to the *Employment Standards Regulation* (ESR). This includes general provisions concerning youth employment and different provisions for children in

the entertainment industry. According to British Columbia's Minister of Skills Development and Labour, these rules mirror conditions that previously applied under Employment Standards Branch policies regarding the granting of child hiring permits.

General Rules for the Employment of Youth

The ESR now prohibits employers from requiring or allowing a child who is 12 or more but under 15 years of age to work:

- during school hours;
- for more than four hours on a school day;
- for more than seven hours on a non-school day, unless written approval of the Director of Employment Standards is first obtained;
- for more than 20 hours in a week that has five school days;
- for more than 35 hours in a week in any other case.

Section 37 of the *ESA*, which deals with agreements to average hours of work, does not apply to these children.

Moreover, employers must ensure that employees of 12, 13 and 14 years of age work under the direct and immediate supervision of a person who is at least 19 years old.

Rules for Children in the Entertainment Industry

Children in the entertainment industry—i.e. children under 15 years of age working as actors, including background performers and extras, in the film, radio, video, television, or television and radio commercials industry—are covered by different rules than those that apply to other child employees.

³ See Winter 2003 issue of the *Workplace Gazette*, Vol. 6, No. 4.

Employers in the entertainment industry do not require a permit from the Director of Employment Standards (the director) to employ a child actor of any age, as long as written consent is obtained from the child's parent or guardian. However, in no case may a person employ a baby who is less than 15 days old.

The *ESA*'s provisions regarding split shifts, daily and weekly rest periods and hours of work averaging agreements do not apply to children in the entertainment industry. Instead, other restrictions on hours of work have been put in place.

A workday must end eight hours after reporting to work, in the case of a child under 12 years of age, and 10 hours after reporting to work if the child is at least 12 but less than 15 years old. Unless prior written approval is received from the director, a child's shift may not start earlier than 5:00 a.m. or end later than 10:00 p.m. if the next day is a school day or 12:30 a.m. otherwise. If the child's school is not in session, a shift may not end later than 2:00 a.m.

Split shifts are forbidden and meal breaks are limited to one hour each.

With respect to rest periods, child actors are entitled to a minimum break period after spending a specified amount of time before a recording device (e.g. a camera or sound recorder). Children of less than three years of age must be provided a break of at least 20 minutes⁴ after spending 15 consecutive minutes before a recording device; those aged at least three but less than six are entitled to a break of 15 minutes after 30 consecutive minutes of recording; children who are six to less than 12 years of age and those aged 12 years or more are entitled to 10 minutes after spending, respectively, 45 or 60 consecutive minutes before a recording device. Employers of such children must also either provide them 48 consecutive hours free from work each week or, instead, pay them 1½ times their regular

wage for any time worked during that period. As well, the employer must ensure that a child actor has at least 12 consecutive hours free from work between each shift and/or before the start of a school day. Furthermore, the *ESR* now stipulates that an employer may not require or allow a child to work more than five days in a week or, with the written approval of the director, more than six days in a week.

While on a production set, child actors must be chaperoned. The *ESR* specifies who may and who may not act as a chaperone and the maximum number of children who may be chaperoned by the same person.

Finally, a provision has been added to ensure that 25 per cent of a child actor's earnings exceeding \$2,000 on a production are remitted to the Public Guardian and Trustee to be held in trust for the child.

The above amendments to the *ESR* came into effect on December 14, 2003.

British Columbia: Amendments to Subsection 1(1) of the *Employment Standards Regulation* under the *Employment Standards Act*; B.C. Reg. 432/2003; British Columbia Gazette, Part II, of January 12, 2004

On November 27, 2003, the definition of "farm worker" in the *Employment Standards Regulation* was broadened to include employees of a farm, ranch, orchard or agricultural operation whose principal employment responsibilities consist of:

- directly selling the farm's products, on-site, during the normal harvest cycle; or
- performing the initial washing, cleaning, sorting, grading or packing unprocessed products from the farm, or similar products purchased from another operation, during the normal harvest cycle.

⁴ Breaks must be given in one unbroken period.

Farm workers in British Columbia are not covered by the hours of work,⁵ overtime and statutory holiday provisions of the *Employment Standards Act*.

Manitoba: *Employment Standards Code Amendment Act; Bill 4; Assented to December 4, 2003*

This Act added new compassionate care leave provisions to the *Employment Standards Code* (ESC) and improved job protection for employees who take a family-related leave.

Compassionate Care Leave

An employee who has been employed by his/her employer for at least 30 days is entitled to eight weeks of unpaid leave to provide care or support to a seriously ill family member who has a significant risk of dying within a period of 26 weeks, as attested by a physician's certificate. "Family member" is defined as the employee's spouse, common-law partner (a "person who, not being married to the other person, is cohabiting with him or her in a conjugal relationship of some permanence"), child or parent, the child of the employee's spouse or common-law partner, or the spouse or common-law partner of the employee's parent.⁶ The eight weeks of leave may be divided in no more than two periods of at least one week each, the second period ending no later than 26 weeks after the day the first period of leave began. There is no requirement that leave be shared when two or more employees provide care or support to the same person. Furthermore, the ESC does not specify whether or not leave must end earlier if the family member dies before it has expired.

An employee who wishes to take compassionate care leave must give notice of at least one pay period to the employer, "unless circumstances

necessitate a shorter period." A copy of the physician's certificate must also be given to the employer as soon as possible. The employee is allowed to end his/her leave before it expires, but must first provide at least 48 hours' notice to the employer, unless both agree otherwise.

Job Protection for Employees Taking Leave

As is the case for employees taking maternity or parental leave, an employee whose compassionate care leave ends has the right to be reinstated in the position he/she occupied when the leave began, or in a comparable position with at least the same wages and other benefits. For the purpose of pension and other benefits, employment before and after the leave is deemed to be continuous. However, an additional subsection specifies that an employer may nevertheless lay off an employee, terminate his/her employment or refuse to reinstate him/her for reasons unrelated to a leave.

To the ESC were also added new complaint provisions and remedies for employees who are dismissed or laid off by reason of pregnancy or because they intend to take, or have taken, a pregnancy, parental or compassionate care leave. An employee in such a situation may file a complaint with an employment standards officer within six months of the date of the layoff or termination, or within six months after the date he/she should have been reinstated.

Where an officer investigating such a complaint determines that a contravention has indeed occurred, he/she may, by order, require that the employer pay compensation for any loss incurred by the employee as a result of the contravention, reinstate the employee, or do both. The employer must also pay administrative costs equal to 10% of any compensation ordered (although the amount of administrative costs may not be less than \$100 and no more than \$1,000). An order to pay compensation is deemed

⁵ Except for the prohibition on excessive hours of work.

⁶ It is possible to expand this definition by regulation.

to be an order for the payment of wages for the purposes of the *Code's* enforcement provisions, except that no maximum amount applies.

A person named in an order may request that the Director of Employment Standards refer the matter to the Manitoba Labour Board. The deadline for making such a request is 30 days after the order is served on the person.

The *Employment Standards Code Amendment Act* came into force on January 4, 2004.

Manitoba: Minimum Wages and Working Conditions Regulation, amendment under the Employment Standards Code; Regulation 25/2004; Manitoba Gazette, Part II, of February 21, 2004

The minimum wage in Manitoba will increase from \$6.75 to \$7.00 an hour, effective April 1, 2004.

It should also be noted that the provincial Minister of Labour and Immigration announced, in an official news release on December 4, 2003, that she will convene a new Minimum Wage Board in 2004.

New Brunswick: Minimum Wage Regulation under the Employment Standards Act; New Brunswick Reg. 2003-82; Royal Gazette of November 26, 2003

This Regulation repealed and replaced the previous *Minimum Wage Regulation* (N.B. Reg. 2002-15). On January 1, 2004, it increased the minimum wage rate in New Brunswick from \$6.00 to \$6.20 per hour, for the first 44 hours worked in a week, and from \$9.00 to \$9.30 for each additional hour worked in the same week (reflecting the overtime rate). The minimum wage for employees whose hours of work are unverifiable and who are not strictly employed on a commission basis was also raised from \$264.00 to \$272.80 per week.

New Brunswick: An Act to Amend the Employment Standards Act; Bill 8; Assented to December 19, 2003

This Act amended the *Employment Standards Act* (ESA) to allow an employee to take up to eight weeks of unpaid compassionate care leave to provide care or support to a person in a *close family relationship* (i.e. a spouse, parent, child, sibling, grandparent, grandchild or a person with whom the employee has a relationship in which they "demonstrate an intention to extend to one another the mutual affection and support normally associated" with one of the family relationships mentioned above⁷) if this person has a serious medical condition with a significant risk of death within a period of 26 weeks, as attested by a medical certificate.

The leave, which may be fractioned in segments of at least one week each, automatically ends after the expiration of a specified 26-week period or, if earlier, at the end of the week in which occurs the death of the person with whom the employee has a close family relationship. In addition, the leave must be shared where two or more employees wish to avail themselves of these provisions to provide care or support to the same person.

There is no length of service requirement, but an employee who intends to take compassionate care leave must advise the employer as soon as possible of the anticipated commencement date and duration of the leave. A copy of the medical certificate must also be provided to the employer if the latter requests it in writing within 15 days of the employee's return to work.

As is the case for other leaves under the *ESA*, an employee who takes compassionate care leave continues to accrue seniority and is deemed to be continuously employed with the same employer during the leave. The *Act* also prohibits an employer

⁷ Two persons may be deemed to be in a close family relationship even though they are not married and are not related by blood.

from dismissing, suspending or laying off an employee during a compassionate care leave or for reasons arising from the leave alone.

These provisions came into force on January 4, 2004.

Northwest Territories: *An Act to amend the Safety Act*; Bill 23 Assented to October 10, 2003

This Act brought amendments to the *Safety Act*. It came into force on January 1, 2004, except for provisions dealing with safety programs which will come into force by order of the Commissioner of the N.W.T. The most significant amendments are as follows:

- The definition of "employer" has been modified to include an "owner" and a person having charge of "an establishment in which one or more workers are engaged in work" (previously, the definition referred to "an establishment in which one or more persons are employed").
- The *Act* now provides that, if two or more employers have charge of an establishment, the principal contractor or, if there is none, the owner of the establishment must coordinate the activities of all employers in the establishment for health and safety purposes.
- Duties are imposed on suppliers of any tool, equipment, machine, device or any biological, chemical or physical agent used at establishments.
- It is provided that every employer must implement and maintain the applicable prescribed safety program for its work site and, if required by the regulations or if directed by the Chief Safety Officer, must establish a joint work site health and safety committee as part of the program. When there are two or more employers at a work site, they must jointly implement and maintain a safety program if one is required. (As mentioned above, these provisions have not yet taken effect.)
- Provisions relating to the disclosure of information have been amended in recognition of the Workers' Compensation Board's responsibility for administering the *Act*, the *regulations* and other legislation, in recognition of the need to share information with other governmental agencies or departments in Canada and with regulatory bodies or agencies approved by the Board, and to take into account the *Access to Information and Protection of Privacy Act*.
- It is now provided that the identity of persons from whom information is obtained in confidence under the *Act* can only be disclosed when this is necessary to investigate or prosecute an alleged contravention of the legislation (previously, the names of such persons could be disclosed when this was required for the purposes of the *Act* or the *regulations*).
- A safety officer is authorized to give notice to an employer that, if his/her direction arising out of an inspection is not carried out, a further direction may be given to address a potential danger, and, in the event of a subsequent non compliance with a direction in respect of which such a notice was given, the safety officer has the power to order that a place, matter or thing not be used until the direction is complied with.
- The Chief Safety Officer is given the power to approve and issue codes of practice to provide practical guidance with respect to the requirements of the *Act* or the *regulations*.
- Lastly, a Safety Advisory Committee, including an equal number of members representing workers and employers, is established to make recommendations respecting amendments to the *Act* and *regulations* that it determines are needed.

Northwest Territories: Proclamation of sections 1, 16 to 20, 22 to 28, 68, 74, 76 and 77 of the Human Rights Act; Northwest Territories Gazette, Part II, of December 31, 2003

Sections of the *Human Rights Act* providing for the establishment of the Human Rights Commission and the appointment of the Director and Deputy Directors of Human Rights, as well as provisions setting their powers, duties and functions, came into effect on January 1, 2004.⁸

Nova Scotia: Regulations under the Labour Standards Code (amendments); N.S. Reg. 200/2003, 201/2003 and 202/2003; Royal Gazette, Part II, of December 1, 2003

These regulations, which came into force on December 12, 2003, amended the *General Labour Standards Code Regulations* and the *Minimum Wage Order (General)*, repealed the *Minimum Wage Order (Road Building and Heavy Construction Industry)* and replaced it with the *Minimum Wage Order (Construction and Property Maintenance)*.

These regulatory changes follow recent amendments to the *Labour Standards Code's* (LSC) overtime provisions. The LSC now provides that employees are entitled to 1½ times their regular rate of pay for hours worked in excess of 48 in a week.⁹

General Regulations

Amendments to the *General Labour Standards Code Regulations* have excluded numerous occupations and industries from new overtime pay requirements (some of these groups are nevertheless still covered by previously existing overtime rules contained in the *Minimum Wage Order (General)*—i.e. entitlement to at least 1½ times the minimum wage rate for hours worked in excess of 48 in a week):

- duly qualified practitioners or students engaged in training for architecture, dentistry, law, medicine, chiropody, professional engineering, public or chartered accounting, psychology, surveying and veterinary science;
- apprentices under apprenticeship agreements;
- trainees under government-sponsored and government-approved plans;
- employees at a playground or summer camp that is operated on a non-profit basis;
- licensed insurance agents;
- employees and employers covered by the *Minimum Wage Order (Logging and Forestry Operations)* or the *Minimum Wage Order (Construction and Property Maintenance)*;
- watches, janitors or building superintendents in buildings that include their place of residence;
- health or personal care providers, if the client is providing a residence as part of the terms of employment;
- employees in the transport industry;
- employees who are paid on a flat rate basis and work as automobile mechanics or auto body shop technicians;
- workers in the shipbuilding, ship repair, oil and gas industries, or related activities other than retail;
- individuals holding specified positions at the deputy minister level in the provincial civil service;
- employees of enterprises engaged in primary processing or related activities in the agriculture, Christmas tree or fishing industry, but not meat processing; and

⁸ The *Human Rights Act* was described in the Spring 2003 issue of the *Workplace Gazette*, Vol. 6, No. 1.

⁹ Amendments brought to the LSC by the *Retail Business Uniform Closing Day Act (amended)* and *Labour Standards Code (amended)* (*Bill 2*) were summarized in the Winter 2003 issue of the *Workplace Gazette*, Vol. 6, No. 4.

- farm workers whose employment is directly related to the primary production of eggs, milk, grain, seeds, fruit, vegetables, maple products, honey, tobacco, pigs, cattle, sheep, poultry or animal furs.

Moreover, the list of farm workers excluded from the application of *LSC* provisions regarding overtime, hours of work and general holidays with pay has been expanded. It now includes workers employed in the primary production of Christmas trees and Christmas wreaths and all those working in agricultural establishments where production is carried on predominantly in greenhouses or otherwise under cover.

General Minimum Wage Order

A number of amendments have also been made to the *Minimum Wage Order (General)*.

- In all cases, farm workers whose employment is directly related to the primary production of eggs, milk, grain, seeds, fruit, vegetables, Christmas trees, Christmas wreaths, maple products, honey, tobacco, pigs, cattle, sheep, poultry or animal furs are not entitled to any premium wages (i.e. neither 1½ times the minimum wage nor 1½ times the employee's wage rate) for overtime work, or to call in pay when they must report to work outside their scheduled working hours. This includes agricultural workers who were previously covered by these provisions (i.e. persons working in agricultural establishments where the primary production of flowers, fruit, grain, seeds, tobacco or vegetables is carried on predominantly under cover from the elements). In addition, agricultural workers under 16 years of age who were previously covered by minimum wage provisions (e.g. youth working in greenhouses to produce specific crops) are now exempted.
- The definition of "harvesting of fruit, vegetables and tobacco" has also been repealed. As a result, *all* employees paid on a piece work basis and whose work is directly related to the harvesting of

these crops are excluded from minimum wage requirements. Previously, the exclusion only applied to persons engaged in the infield, non-mechanized gathering—but not the transportation, grading or processing—of crops that are *not* grown under cover.

- All employees in the transport industry (not just those who are required to be away from home base overnight, as was the case before) are now only entitled to the overtime rate of 1½ times the minimum wage when they work in excess of 96 hours over a period of two consecutive weeks.
- Health and personal care workers employed in a building which includes their place of residence are excluded from any premium wages for overtime work.

Minimum Wage Order for Construction and Property Maintenance Employment

A new Regulation, the *Minimum Wage Order (Construction and Property Maintenance)*, has replaced the *Minimum Wage Order (Road Building and Heavy Construction Industry)*.

The scope of the new Regulation is broader. It covers employees engaged in: the construction, restoration or maintenance of roads, streets, sidewalks, structures (including buildings), bridges, paving, and water and sewer installations; earth and rock moving or related works; snow removal; primary production of raw construction materials, including primary production work in a saw mill; work in a machine shop and metal fabrication. However, it does not apply to municipal employees engaged in street construction, restoration or maintenance; persons receiving training under government-sponsored and government-approved plans; apprentices under apprenticeship agreements; employees of enterprises engaged in building sanitation or security; and employees engaged in supplying materials for shipbuilding, ship repair, the oil and gas industry or related activities other than retail.

Employees covered by this Regulation are entitled to the same minimum wage rate as employees covered by the *Minimum Wage Order (General)*. However, overtime wages, equal to 1½ times the employee's regular hourly rate, only applies to time worked in excess of 110 hours within a 14-day period.

Nunavut: An Act to amend the Safety Act; Bill 49 Assented to December 5, 2003

This Act brought amendments to the *Safety Act*. It came into force on January 1, 2004, except for provisions dealing with safety programs which will come into force by order of the Commissioner of Nunavut. The most significant amendments are as follows:

- The definition of "employer" has been modified to include an "owner" and a person having charge of "an establishment in which one or more workers are engaged in work" (previously, the definition referred to "an establishment in which one or more persons are employed").
- The *Act* now provides that, if two or more employers have charge of an establishment, the principal contractor or, if there is none, the owner of the establishment must coordinate the activities of all employers in the establishment for health and safety purposes.
- Duties are imposed on suppliers of any tool, equipment, machine, device or any biological, chemical or physical agent used at establishments.
- It is provided that every employer must implement and maintain the applicable prescribed safety program for its work site and, if required by the regulations or if directed by the Chief Safety Officer, must establish a joint work site health and safety committee as part of the program. When there are two or more employers at a work site, they are required to jointly implement and maintain a safety program if one is required. (As mentioned above, these provisions have not yet taken effect.)
- It is stipulated that a joint work site health and safety committee must be composed of an equal number of worker representatives chosen by the workers at the work site and persons chosen by the employer or by each employer when there is more than one.
- Provisions relating to the disclosure of information have been amended in recognition of the Workers' Compensation Board's responsibility for administering the *Act*, the *regulations* and other legislation, in recognition of the need to share information with other governmental agencies or departments in Canada and with regulatory bodies or agencies approved by the Board, and to take into account the *Access to Information and Protection of Privacy Act*.
- It is now provided that the identity of persons from whom information is obtained in confidence under the *Act* can only be disclosed when this is necessary to investigate or prosecute an alleged contravention of the legislation (previously, the names of such persons could be disclosed when this was required for the purposes of the *Act* or the *regulations*).
- A safety officer is authorized to give notice to an employer that, if his/her direction arising out of an inspection is not carried out, a further direction may be given to address a potential danger, and, in the event of a subsequent non compliance with a direction in respect of which such a notice was given, the safety officer has the power to order that a place, matter or thing not be used until the direction is complied with.
- The Chief Safety Officer is given the power to approve and issue codes of practice to provide practical guidance with respect to the requirements of the *Act* and the *regulations*.

- Lastly, a Safety Advisory Committee, including an equal number of members representing workers and employers, is established to make recommendations respecting amendments to the *Act* and regulations that it determines are needed.

Ontario: Amendments to *Exemptions, Special Rules and Establishment of Minimum Wage Regulation*; Ontario Regulation 401/03 under the *Employment Standards Act, 2000*; Ontario Gazette of December 20, 2003

Amendments to the *Exemptions, Special Rules and Establishment of Minimum Wage Regulation* have increased the general minimum wage rate from \$6.85 to \$7.15 an hour, effective February 1, 2004. This is the first in a series of increases that will take

place every February 1 until the year 2007, at which point the general minimum wage rate will reach \$8.00 an hour. The minimum wage rates for specific groups will also increase during that period. Below are the upcoming changes to minimum wage rates in Ontario.

Moreover, a section has been added to the *Regulation* to ensure that employers comply with the new minimum wage rates as soon as they come into effect, even if this occurs in the middle of a pay period.

Finally, there has been no change to maximum wage deductions allowed for room and board provided to an employee by his/her employer.

	Previous	Feb. 1/2004	Feb. 1/2005	Feb. 1/2006	Feb. 1/2007
General Minimum Rate	\$6.85	\$7.15	\$7.45	\$7.75	\$8.00
Students under 18 ¹	\$6.40	\$6.70	\$6.95	\$7.25	\$7.50
Liquor Server ²	\$5.95	\$6.20	\$6.50	\$6.75	\$6.95
Hunting and Fishing Guides working less than five consecutive hours in a day (daily rate)	\$34.25	\$35.75	\$37.25	\$38.75	\$40.00
Hunting and Fishing Guides working five or more hours in a day (daily rate)	\$68.50	\$71.50	\$74.50	\$77.50	\$80.00
Homeworkers ³	\$7.54	\$7.87	\$8.20	\$8.53	\$8.80

¹ This rate applies to students under 18 working not more than 28 hours per week or employed during a school holiday.

² Applies to employees serving liquor directly to customers, guests, members, or patrons in premises for which a licence or permit has been issued under the *Liquor Licence Act*.

³ Homeworkers are defined as people doing paid work in their home for a third party employer. They are entitled to at least 110 per cent of the general minimum wage rate.

Prince Edward Island: An Act to Amend the Employment Standards Act; Bill 19; Assented to December 16, 2003

This Act has added new compassionate care leave provisions to the province's employment standards legislation. These provisions are similar to those recently passed in other jurisdictions: an employee is now entitled to up to eight weeks of unpaid leave, to be taken in segments of at least one week each within a specified 26-week period. The eight weeks of leave must be shared where two or more persons provide care or support to the same family member. The only eligibility requirement is to provide the employer, either before or after taking the leave, a copy of a medical certificate stating that an immediate family member of the employee has a serious medical condition carrying with it a significant risk of death within 26 weeks.

Compared to most of the other jurisdictions with compassionate care leave provisions, the definition of "immediate family" in Prince Edward Island is broader, since it includes an employee's siblings in addition to his/her spouse, common-law spouse, children and parents.¹⁰ It should also be noted that no specific protection has been prescribed for an employee's seniority and benefits while on leave, nor are there explicit reinstatement provisions.

Finally, an amendment has been made to section 2 of the *Employment Standards Act* to ensure that compassionate care leave provisions also apply to employees covered by a collective agreement.

The *Act* came into effect on December 16, 2003.

Quebec: Regulation respecting labour standards specific to certain sectors of the clothing industry under An Act respecting labour standards; O.C. 1288-2003; Quebec Official Gazette, Part II, of December 17, 2003

The *Regulation respecting labour standards specific to certain sectors of the clothing industry* covers employees in the men's and boys' shirt industry, the women's clothing industry, the men's clothing industry and the leather glove industry (hereafter called employees in the clothing industry). Historically, four collective agreement decrees established certain minimum conditions of employment applicable to those sectors. On November 11, 1999, *An Act respecting the conditions of employment in certain sectors of the clothing industry and amending the Act respecting labour standards* came into force. It extended the application of the decrees until June 30, 2000, stipulating that after that day the government of Quebec could adopt, by regulation, transitional provisions regarding minimum standards for those sectors. Afterwards, in accordance with this legislation, the government could adopt a regulation permanently establishing standards of employment applicable to these four sectors of the clothing industry. Consequently, the government adopted, as a temporary measure, the *Regulation respecting minimum labour standards in certain sectors of the clothing industry*, which came into force on July 1, 2000. The *Regulation's* expiry date was subsequently deferred to December 31, 2003. On January 1, 2004, the new *Regulation respecting labour standards specific to certain sectors of the clothing industry* came into force, setting in a more permanent manner the standards pertaining to these sectors of the clothing industry. It should be noted that, notwithstanding this Regulation, provisions of the *Act respecting labour standards* continue to apply to employees of the clothing industry as long as they are not incompatible with the *Regulation*.

¹⁰ However, in contrast to other jurisdictions, this definition does not include the children of the employee's spouse or the spouse or common-law partner of the employee's mother or father.

Minimum Wage

The *Regulation* provides for a minimum wage rate of \$8.00 an hour, payable to employees of the clothing industry, whereas the general rate under the *Act respecting labour standards* (the *Act*) is \$7.30 an hour.

Standard Workweek

Moreover, for the purpose of calculating overtime, the standard workweek for employees covered by the *Regulation* is of 39 hours, whereas it is of 40 hours for other employees covered by the *Act*.

Statutory General Holidays with Pay

Regarding statutory general holidays with pay, the *Regulation* provides for two more days than what is set out under the *Act*. Employees in the clothing industry are entitled to a holiday on January 2nd as well as on Good Friday and Easter Monday, whereas under the *Act* only one of the latter two days, at the employer's discretion, is considered a statutory general holiday with pay.

Annual Leave with Pay

The new *Regulation* provides for annual leave with pay. When, at the end of a reference year, an employee has less than one year of uninterrupted service with the same employer, he/she is entitled to an uninterrupted annual leave, established on the basis of one working day for each month of uninterrupted service, for a total leave not exceeding two weeks. In the case of an employee who is credited with one year of uninterrupted service, he/she is eligible to a minimum leave of three weeks, of which two weeks must be consecutive. As for an employee who has three years of uninterrupted service with the same employer, he/she is eligible to an annual

leave of a minimum duration of four weeks of which three weeks are to be taken consecutively. Also, the *Regulation* provides for an annual leave indemnity of 4 per cent of an employee's gross earnings when the latter has less than one year of uninterrupted service, of 6 per cent when the employee is credited with at least one year of uninterrupted service and of 8 per cent when he/she has three years of uninterrupted service, with the same employer. These provisions are more generous than those of the *Act respecting labour standards*.¹¹

Leave for Family Events

Finally, the new *Regulation* contains leave provisions relating to the death or funeral of an employee's relative. In the case of the employee's spouse, child, father, mother, brother or sister, or the child of the employee's spouse, the employee is entitled to three consecutive days of leave, without reduction of wages, as well as two additional days without pay. In addition, an employee is entitled to one day without reduction of wages by reason of the death or funeral of one of his/her grandparents or the father or mother of his/her spouse, and a day without pay with respect to a son-in-law, daughter-in-law, one of his/her grand-children as well as a brother or sister of the employee's spouse. These standards are also more generous than the provisions of the *Act*.¹²

Quebec: An Act to amend the Labour Code; Bill 31 Assented to December 18, 2003

This Bill amends the provisions of the *Labour Code* as regards the transmission of rights and obligations upon the transfer of ownership or operation of all or part of an undertaking (sections 45 to 45.3 of the *Code*).

¹¹ The maximum provided for under the *Act respecting labour standards* is three weeks of annual leave and an indemnity representing 6 per cent of the employee's gross earnings after five years of uninterrupted service with the same employer.

¹² The maximum provided for under the *Act respecting labour standards* in the case of the death or funeral of an employee's immediate family member is of one day without reduction of wages and four days without pay.

As a result of the repeal of a measure introduced in 2001, which provided that the employer had to give to the association of employees concerned a notice indicating its intention to transfer the ownership or operation of all or part of an undertaking and that the association could apply to the Labour Relations Commission, within certain time limits, for a determination as to the application of section 45 (section 45.1 which came into force on November 25, 2002), the automatic applicability of section 45 is re-established.

An amendment to section 45 of the *Labour Code* provides that the certification of an association of employees or a collective agreement is not transferred when the transfer of part of the operation of an undertaking does not entail transferring to the transferee, in addition to functions or the right to operate, most of the elements that characterize the part of the undertaking involved.

Where the operation of part of an undertaking is transferred¹³ and, by virtue of section 45, the certification of an association of employees and a

collective agreement that is in force are transferred to the transferee's undertaking, the collective agreement is deemed to expire on the day the transfer of part of the operation becomes effective and the notice to start negotiations to make a new collective agreement may be given by either party within the following 30 days. The working conditions of the employees affected may not be altered without the consent of the certified association of employees for a period of at least 90 days, as provided in the *Labour Code*.

The Commission may, on the motion of an interested party filed in the 30 days that follow the effective date of the transfer of the operation of part of an enterprise, set aside the provisions mentioned in the two preceding paragraphs if it considers that the transfer was carried out for the main purpose of hindering the formation of an association of employees or undermining the continued integrity of a certified association of employees.

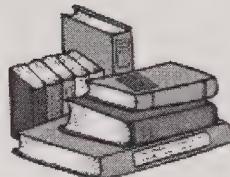
These provisions apply to the transfer of part of the operation of an undertaking that takes effect on or after February 1, 2004.

¹³ This does not apply in the case of the transfer of the operation of part of an undertaking between employers of the public and parapublic sectors.

*For additional information on recently adopted or proposed changes
to Canadian Labour Laws,
please visit the Human Resources and Skills Development Canada Website at*
<http://www.hrsdc.gc.ca>,
*(1) using the A-Z Index, choose "D" as Alphabetical Choice
(2) and click on Developments in Labour Legislation in Canada.*

Readers' Corner

*Michèle Auger, Fred Longley and Edward Popoff
Departmental Library*



Diversity in the Workplace

Handbook of Diversity Management: Beyond Awareness to Competency Based Learning. Edited by Deborah L. Plummer. Lanham, Md.: University Press of America, 2003.
HF5549.5 M5 H36

This book is organized in three sections. Theoretical Foundations presents the theories to support understanding of the practices of diversity management. Skill-Based Learning deals with diagnosis of diversity in organizations, communication, and diversity conflict

resolution. Professional Issues focuses the practitioner on self-education and collaborative learning. The chapters can be read in sequence for a comprehensive view of the field, or on a selective basis for specific components.

Lieberman, Simma, George F. Simons and Kate Berardo. **Putting Diversity to Work: How to Successfully Lead a Diverse Workforce.** Menlo Park, Calif.: Crisp Learning, 2004.
HF5549.5 M5 L53

This workbook aims to help organizations optimize the benefits of a diverse workforce. It covers four main concepts: enabling the organization to take advantage of diversity; developing personal diversity awareness and

skills; leading and communicating in a diversified workplace; and recruiting and retaining a diverse workforce. The book can be used in group training or for self-study.

A Place for All: a Guide to Creating an Inclusive Workplace. Ottawa, Canadian Human Rights Commission, 2003.
CA1 HR102 03P41

Employers in Canada have a duty to accommodate, as required by the Canadian Human Rights Act and the Employment Equity Act, to meet employee needs relating to factors such as disability, sex, age, family status, and

ethnic or national origin. This publication explains employers' legal obligations regarding the duty to accommodate, and provides guidelines for the creation of accommodation policies and procedures.

The Psychology and Management of Workplace Diversity. Edited by Margaret S. Stockdale and Faye J. Crosby. Malden, Mass.: Blackwell Publishing, 2004.
HF5549.5 M5 P79

Experts in specific domains examine the problems associated with various dimensions of diversity, including race and ethnicity; gender, disability, age, sexual orientation and obesity. The book presents practical, theoretically-

based strategies for creating and sustaining diversity and inclusion in organizations, and describes diversity management around the world.

Raines, Claire. **Connecting Generations: the Sourcebook for a New Workplace.** Menlo Park, Calif.: Crisp Publications, 2003.
HF5549.5 M5 R34

This sourcebook of techniques, tips, checklists and exercises is based on the author's 15 years of experience in helping organizations manage generational diversity in the workplace. It profiles the characteristics of the four current

generations in the workforce and addresses related issues: adapting your style to develop rapport; mixing generations successfully; communicating; recruiting and retaining; effective use of meetings; and training.

Schneider, Susan C. and Jean-Louis Barsoux. **Managing Across Cultures.** 2nd ed. New York: Financial Times, 2002.
HD31 S36 2002

Part I presents a framework for the analysis of multiple spheres of cultural influence affecting the organization—national, regional, industry, corporate, professional and functional. Part II examines how national culture influences management practice in the areas of organizational structure, strategy, and human resource

management, and the implications of these differences, for example possible adoption of other best practices and management models. Part III deals with approaches to managing cultural differences within multicultural teams and in interaction with other global organizations.

NOTES

1. For other available references in French language only, see the French version of the *Workplace Gazette / Gazette du travail*.
2. Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.

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YESTERDAY

and

TODAY

Suzanne Payette
Workplace Information Directorate -
Labour Program

Pension Plans

Fifty Years Ago...

In April 1954, the *Labour Gazette* featured an article on Canadian pension plans. While the basic purpose of a pension plan is simple—to help the employee provide for his years of retirement—the procedures by which that purpose is accomplished are necessarily complex. Many factors must be considered under such broad headings as: method of financing the plan, benefits to be provided, manner of administration, eligibility requirements, vesting and age of retirement.

More than half (238) of 411 Canadian firms with 500 or more employees had a company-wide pension plan. Five out of six (176) of these pension plans were financed by both employee and employer contributions; the remaining 38 plans were non-contributory. This wide adoption of the contributory method in Canada was in contrast with the experience in the United States where non-contributory plans appeared to be about as popular as contributory plans.

Among the plans studied, great variation was found in contribution and benefit formulas. Rates of contribution varied, not only in the level of pension benefit, but also in the type of supplementary benefits that may be provided and the age stipulated for retirement. The cost of a pension plan was also affected by the age and sex of the persons in the working force, rate of interest earned by accumulated contributions, employee turnover and other factors.

During World War II, when wages were subject to controls, a considerable number of employee

benefit plans were introduced in industrial firms in lieu of wage increases. In 1949, unions started a drive for pensions that resulted in the introduction of plans in a number of establishments. For the most part, the unions aimed at obtaining non-contributory pension plans and met with some success in the iron and steel products and the non-metallic mineral products industries. Canadian taxation law favoured contributory plans: the money an employee contributes to a pension plan is deductible from income for taxation purposes while in the United States, only the employer's contribution was deductible.

Today...

Approximately 80 per cent of collective agreements in the Workplace Information Directorate's database include a pension plan. Contributory plans now represent approximately 41 per cent of plans with an additional 9.0 per cent of plans providing for the possibility of additional voluntary contributions. Non-contributory plans account for 15 per cent of plans with an additional 3.0 per cent of plans providing for additional voluntary contributions.

Defined benefit plans account for a little over 60 per cent of provisions while defined contributions plans (5.0 per cent) and hybrid or combined plans (1.0 per cent) represent the balance.

There are provisions for determining the pension benefit levels based on service, age and earnings. A more detailed article on pension plans will appear in the next issue of the *Workplace Gazette*.

INFORMATION PRODUCTS AND CLIENT SERVICES

Client Services

The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: \$400 (available by e-mail and mail).

Negotech

A searchable labour relations database providing timely information on the key aspects (settlement reports and full collective agreement contract language) of collective bargaining in Canada. Access via the Internet. Available free as an added value to subscribers of our publications.

Visit our Web Site for information on work stoppages, labour organizations in Canada, a calendar of collective agreement expiries and reopeners, articles and case studies published in the Workplace Gazette, information on innovative workplace practices and a selection of recent changes in Canadian labour laws.

***For further information, contact the
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1-800-567-6866 or (819) 997-3117

1-819-953-9582

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

Collective Bargaining Bulletin

A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages. Also included is a list containing major settlement reports currently available on the Negotech database. **Subscription:** Canada, 1 year: \$65 or 2 years: \$110 plus 7% GST; other countries, 1 year: US\$65 or 2 years: US\$110 (available by e-mail and mail).

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Volume 7, No. 2

Summer 2004

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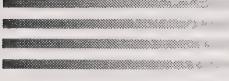


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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Summer 2004 issue includes first quarter data for 2004 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the first quarter 2004 and information on work stoppages for the fourth quarter of 2003 and the first quarter of 2004. An overview of selected provisions highlights retirement plans in collective agreements. Innovative practices in the workplace resulting from collective bargaining are summarized.

An overview of recent conferences funded by Labour-Management Partnerships Program is provided and a case study describes 360-Degree Feedback at PACCAR of Canada Ltd. Examples of volunteer work provisions and compassionate care benefits are described.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on managing workplace conflict.

Finally, Yesterday and Today looks at union security provisions.

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*The content of this publication has been prepared by members of
The Canadian Association of Professional Employees and the Public
Service Alliance of Canada.*

MAJOR WAGE SETTLEMENTS*

First Quarter 2004

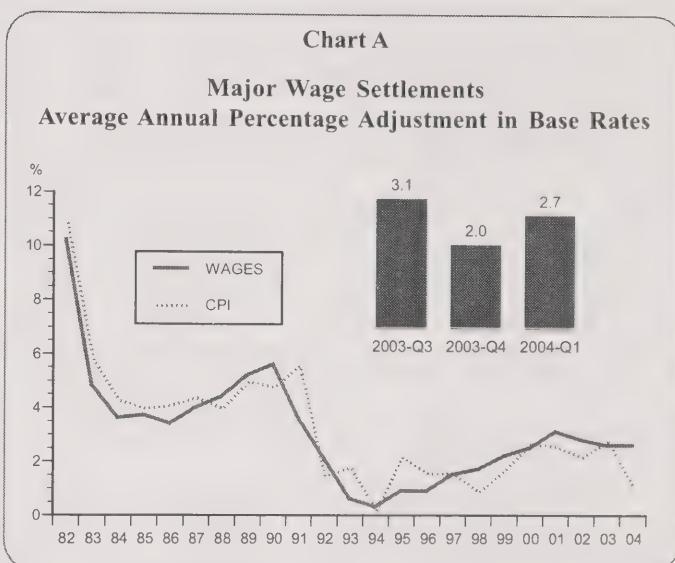
Summary

Major collective bargaining settlements reached in the first quarter 2004 provided base rate wage increases averaging **2.7 per cent** annually over the term of the contracts, up from 2.0 per cent in the previous quarter and up fractionally from the average of 2.6 per cent for the year 2003. The first quarter 2004 results are based on a review of 72 settlements with a coverage of 139,300 employees.

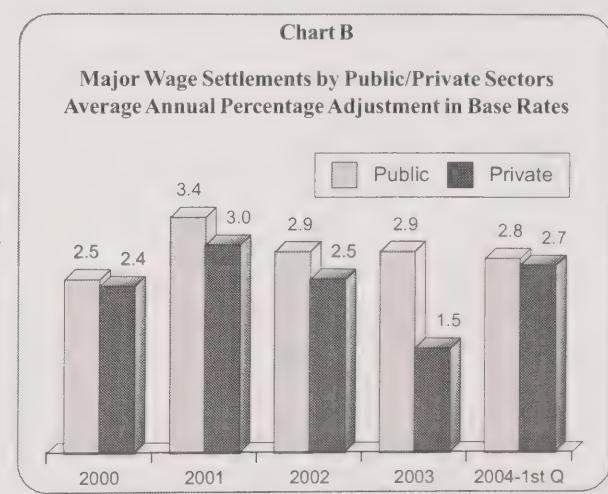
When the parties to these first quarter settlements previously negotiated, the resulting wage adjustments averaged 3.6 per cent, higher than in their current settlements. Contract duration in the first quarter 2004 averaged 28.8 months, compared to 31.7 months in the previous round of settlements.

Public and Private Sectors

Wage settlements in the first quarter were largely comprised of public-sector agreements (50 of 72 contracts covering 72.2 per cent of all workers). Average wage increases in the public sector were a fraction higher than those in the private sector. The **public-sector** wage increases averaged **2.8 per cent** for 100,630 employees. The **private-sector** average for 38,670 employees in 22 agreements was **2.7 per cent**.



Source: Workplace Information Directorate.



Source: Workplace Information Directorate.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Distribution of Agreements and Employees by Range of Wage Adjustments

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Less than 0%	1	1.4	13,500	9.7
0% (no increase)	1	1.4	1,000	0.7
Over 0% to 0.9%	2	2.8	2,870	2.1
1.0% to 1.9%	2	2.8	1,650	1.2
2.0% to 2.9%	17	23.6	28,850	20.7
3.0% to 3.9%	39	54.2	74,010	53.1
4.0% to 4.9%	6	8.3	12,300	8.8
5.0% to 5.9%	2	2.8	1,450	1.0
6.0% to 6.9%	2	2.8	3,670	2.6
ALL LEVELS	72	100.0	139,300	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

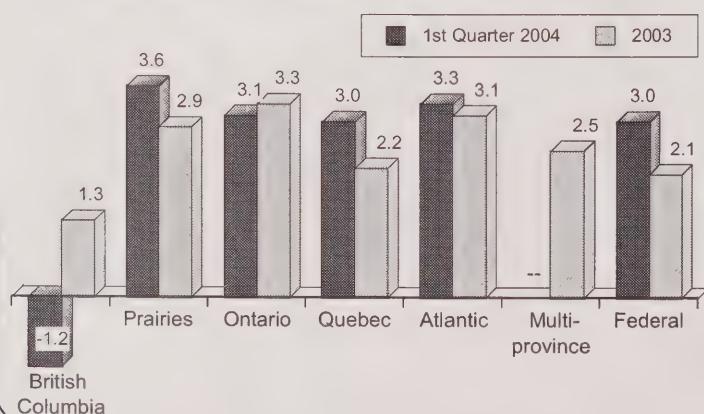
Distribution of Wage Adjustments

In the first quarter 2004, a majority of employees (53.1 per cent) received wage increases in the 3.0 to 3.9 per cent range and 20.7 per cent of employees received increases in the 2.0 to 2.9 per cent range. Approximately 13.7 per cent of employees

received adjustments below the 1.0 per cent level (including 9.7 per cent of employees with a wage cut and 0.7 per cent with a wage freeze). A modest percentage (12.4 per cent) of employees received increases of 4.0 per cent and over.

Chart C

Major Wage Settlements by Region/Jurisdiction Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Region/Jurisdiction

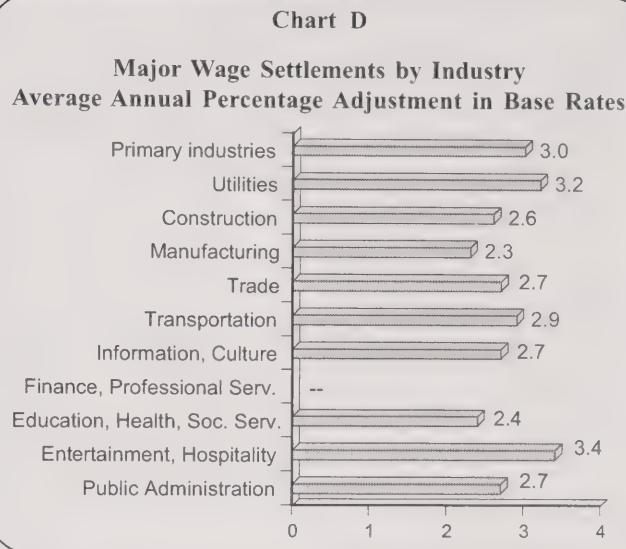
On a regional/jurisdictional basis, Alberta posted the largest wage gain in the first quarter, at 3.7 per cent; overall, the Prairie Provinces (21 agreements, 38,050 employees) averaged increases of 3.6 per cent. The smallest average wage adjustment was recorded in British Columbia (5 agreements, 16,630 employees) at minus 1.2 per cent; this was due to a wage cut of 4.1 per cent for 13,500 workers with the Health Employers Association of British Columbia. Excluding this health-sector agreement, the remaining 71 agreements across Canada

averaged 3.2 per cent in the first quarter (compared to the aggregate figure of 2.7 per cent). In the Federal jurisdiction, wage adjustments averaged 3.0 per cent for 18,630 employees in 8 agreements. Wage increases in Ontario settlements (26 agreements, 47,220 employees) averaged 3.1 per cent; in Quebec (8 agreements, 11,780 employees), 3.0 per cent; and in the Atlantic Provinces (4 agreements, 6,990 employees), 3.3 per cent.

Industry

On an industry basis, the largest concentration of agreements (43.1 per cent), and employees (43.8 per cent), was

in the education, health and social services sector, with 61,040 workers obtaining average wage gains of **2.4 per cent** in 31 settlements. The largest industry average was in **public administration**, where 16 agreements provided 28,230 employees with wage gains averaging **3.4 per cent**. The smallest increase was in **manufacturing** where



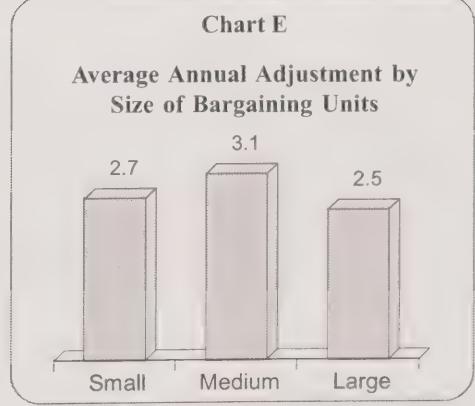
Source : Workplace Information Directorate.

10 agreements provided 9,900 employees with wage gains averaging **2.3 per cent**. Wage increases in the remaining industry sectors, in decreasing order were: **utilities sector at 3.2 per cent; primary industries at 3.0 per cent; transportation at 2.9 per cent; trade and information and culture, both at 2.7 per cent and construction at 2.6 per cent.**

Wage Data for the First Quarter 2004 for Small, Medium and Large Bargaining Units

Among the 98 collective bargaining settlements reached in the first quarter of 2004, 26 settlements were in small bargaining units (between 100 and 499 employees), 55 were in medium bargaining units (500 to 1,999 employees), and 17 were in large bargaining units with 2,000 employees or more.

SMALL bargaining units reported an average increase of **2.7 per cent**. **Public-sector** settlements provided an average increase of **3.2 per cent**, much higher than the **private-sector** wage adjustment of **2.3 per cent**. On an industry basis, the **public administration** sector had the highest wage adjust-



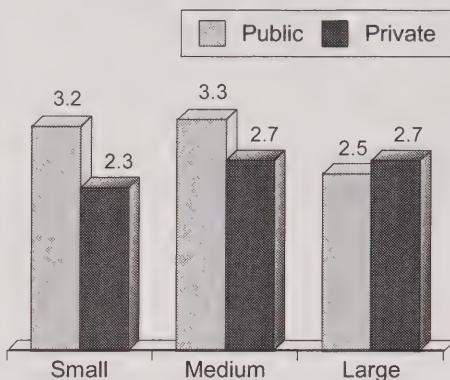
Source: Workplace Information Directorate.

ment at **3.6 per cent** while **wholesale and retail trade, manufacturing and information and culture** sectors reported the lowest average at **2.2 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.2 per cent** in the **Atlantic Provinces** to a low of **2.2 per cent** in **Manitoba**.

MEDIUM bargaining units reported a third quarter average wage increase of **3.1 per cent**. **Public-sector** settlements resulted in an average increase of **3.3 per cent**, compared to the **private-sector** figure of **2.7 per cent**. On an industry basis, the **education, health and social services** and the **construction** sectors had the highest wage adjustment at **3.4 per cent** while **manufacturing** reported the lowest average at **2.0 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.6 per cent** in **Quebec** to a low of **2.5 per cent** in **British Columbia**.

LARGE bargaining units reported a wage increase of **2.5 per cent**. Settlements in the **public sector** provided an average increase of **2.5 per cent** while **private-sector** settlements resulted in an average increase of **2.7 per cent**. On an industry basis, the **public administration** sector had the highest wage adjustment at **3.5 per cent** while the **education, health and social services** sector reported the

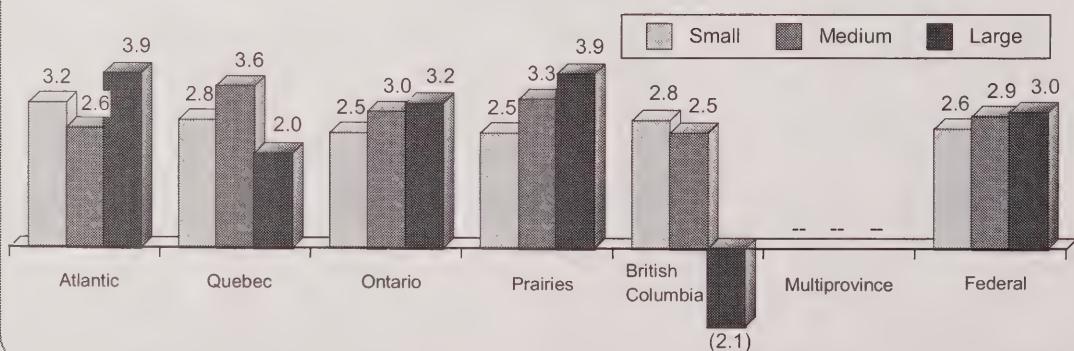
Chart F
Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors



Source: *Workplace Information Directorate*.

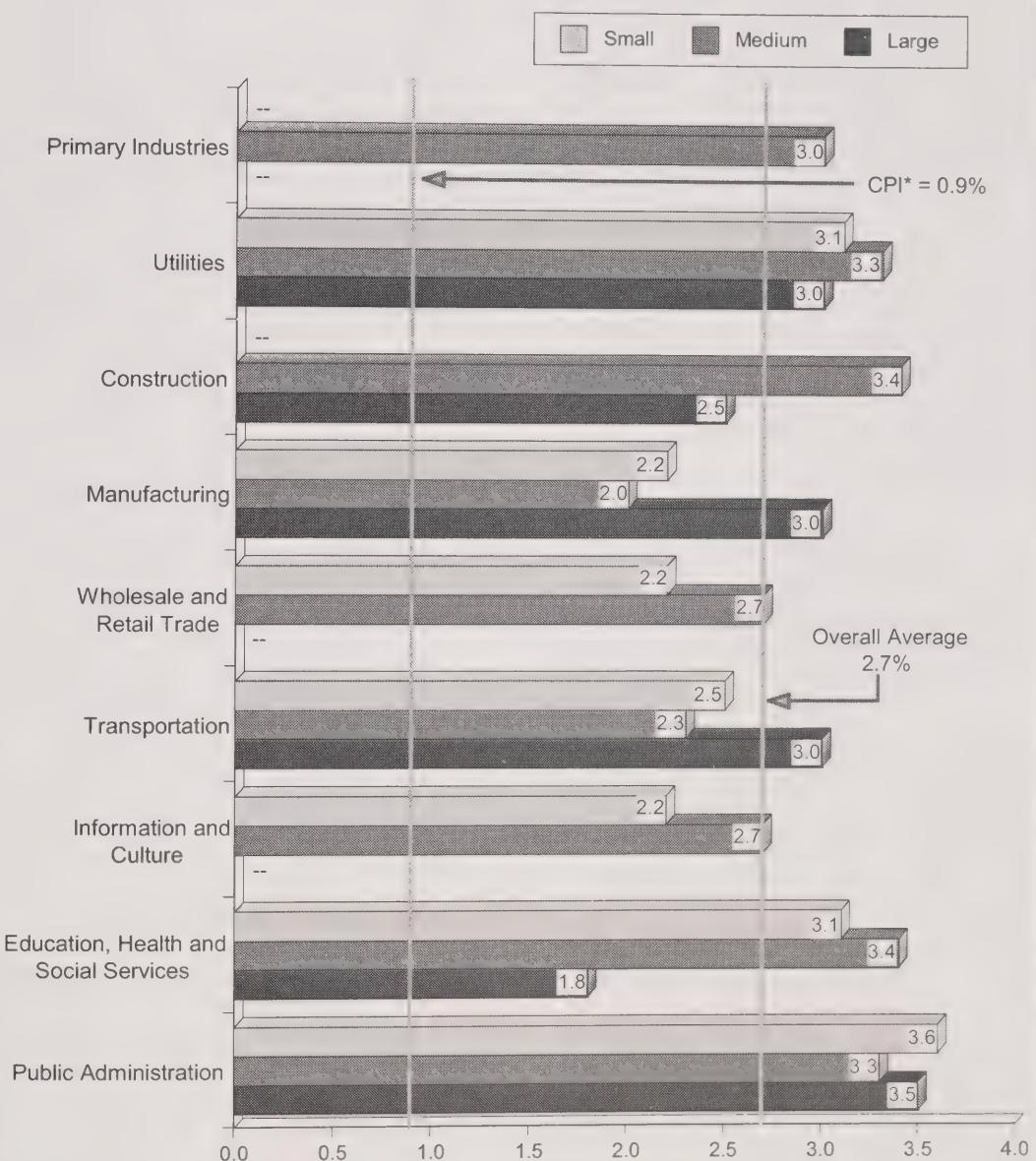
lowest increase at **1.8 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.9 per cent** in the **Prairies** and the **Atlantic Provinces** to a low of **minus 2.1 per cent** in **British Columbia** caused by an agreement signed in March 2004 by the Health Employers Association of British Columbia resulting in a wage reduction of 2.1 per cent for 13,500 employees.

Chart G
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source: *Workplace Information Directorate*.

Chart H
**Average Annual Percentage Adjustment by Size of Bargaining Units,
by Industry**



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

Major Settlements Reached in the First Quarter 2004

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (3 agreements)	3,380	3.0	3.6	36.0	
Falconbridge Limited, production employees, Falconbridge, Ont.	1,050	2.3*	3.4	36.0	2007-01-31
Highland Valley Copper, production employees, Logan Lake, B.C.	780	3.7	5.0	36.0	2006-09-30
Suncor Energy Inc., Oil Sands, mine employees, Fort McMurray, Alta.	1,550	3.2	3.0	36.0	2007-04-30
Utilities (4 agreements)	4,580	3.2	3.2	16.0	
Bruce Power LP, scientific and other professionals, Toronto, Ont.	810	4.0	4.0	12.0	2004-12-31
Enbridge Gas Distribution, utility workers, province-wide, Ont.	770	3.0	3.0	36.0	2006-12-31
Ontario Power Generation Inc., scientific and other professionals, province-wide, Ont.	900	3.0	3.0	12.0	2004-12-31
Ontario Power Generation Inc., scientific and other professionals, province-wide, Ont.	2,100	3.0	3.0	12.0	2004-12-31
Construction (2 agreements)	15,200	2.6	2.6	36.0	
Electrical Trade Bargaining Agency Electrical Contractors Assn., electricians, province-wide, Ont.	14,000	2.5	2.5	36.0	2007-04-30
Mechanical Contractors Association of N.B. Inc., plumbers and pipefitters, province-wide, N.B.	1,200	3.4	3.4	36.0	2006-06-30
Manufacturing (10 agreements)	9,900	2.3	2.1	32.7	
Alcan Smelters and Chemicals Ltd. (Arvida), hourly-rated employees, Jonquière, Que.	2,290	3.0	3.0	12.0	2004-12-31
Alcan Smelters and Chemicals Ltd. (Laterrière), production employees, Laterrière, Que.	500	3.0	3.0	12.0	2004-12-31
Brasseries Molson, production employees, Montréal, Que.	1,300	2.1*	1.9	84.0	2010-12-21
Camco Inc., production employees, Hamilton, Ont.	1,000	0.0	0.0	20.0	2005-12-31
Camco Inc., production employees, Montréal, Que.	800	3.1*	3.0	36.0	2007-03-04
Canadian General-Tower Limited, plant and maintenance employees, Cambridge, Ont.	500	2.4	2.4	12.0	2005-02-28
DuPont Canada Inc., plant and maintenance employees, Kingston, Ont.	1,150	2.4	2.7	36.0	2007-01-27
General Electric Canada Inc., plant and maintenance employees, Pickering, Ont.	650	3.1*	3.1	36.0	2007-02-15

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Hershey Canada Inc., plant and maintenance employees, Smiths Falls, Ont.	560	2.4	1.7	36.0	2007-01-31
Trenton Works Ltd., production employees, Trenton, N.S.	1,150	1.3*	0.0	36.0	2006-10-31
Wholesale and Retail Trade (1 agreement)	950	2.7	1.9	36.0	
Great Atlantic & Pacific Company of Canada Limited, grocery distribution centre employees, Toronto, Ont.	950	2.7	1.9	36.0	2006-10-11
Transportation (4 agreements)	14,920	2.9	3.0	42.8	
Canadian National Railway Company, office employees, system-wide, excluding Nfld.	2,430	3.0	3.0	36.0	2006-12-31
Canadian National Railway Company, shopcraft employees, system-wide	2,780	3.0	3.0	36.0	2006-12-31
Canadian Pacific Railway and St. Lawrence & Hudson Railway, non-operating employees, system-wide	1,210	2.3	3.0	36.0	2006-12-31
Purolator Courier Limited, couriers, Canada-wide	8,500	3.0	3.0	48.0	2007-12-31
Information and Culture (1 agreement)	1,100	2.7	2.5	36.0	
Bell Canada, sales personnel, province-wide, Ont. and Que.	1,100	2.7	2.5	36.0	2006-12-31
Education, Health and Social Services (31 agreements)	61,040	2.4	2.5	27.1	
Black Gold Regional Division No. 18, elementary and secondary teachers, Nisku, Alta.	510	2.1	2.1	12.0	2003-08-31
Calgary Laboratory Services (CLS), health service employees, Calgary, Alta.	950	5.5*	5.5	36.0	2005-06-30
Calgary Roman Catholic Separate School District No. 1, support employees, Calgary, Alta.	1,360	3.2	3.0	60.0	2007-08-31
Centre for Addiction and Mental Health, health service employees, Toronto, Ont.	1,700	3.0	3.0	36.0	2005-03-31
College Compensation and Appointments Council, academic staff, province-wide, Ont.	8,600	3.7	3.5	24.0	2005-08-31
District School Board of Niagara, elementary teachers, St. Catharines, Ont.	1,500	4.1	4.2	24.0	2004-08-31
Dufferin-Peel Catholic District School Board, educational services, Mississauga and area, Ont.	500	1.5	1.5	7.0	2004-09-30
Elk Island Public Schools Regional Division No. 14, elementary and secondary teachers, Elk Island, Alta.	950	2.0	2.0	12.0	2004-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education Health and Social Services (continued)					
Government of Alberta, health and social care professionals, province-wide, Alta.	560	3.5	3.5	12.0	2004-08-31
Government of Alberta, health service employees, province-wide, Alta.	1,190	3.5	3.5	12.0	2004-08-31
Grand Erie District School Board, secondary teachers, Brantford, Ont.	670	3.5	2.5	36.0	2004-08-31
Halton District School Board, occasional teachers, Burlington, Ont.	600	3.9	3.0	24.0	2004-08-31
Hamilton-Wentworth Catholic District School Board, educational services, Hamilton, Ont.	640	3.0	3.0	24.0	2005-08-31
Health Authorities of Prince Edward Island, administrative services employees, province-wide, P.E.I.	640	3.2	4.0	36.0	2006-03-31
Health Employers Association of British Columbia, non-medical employees, province-wide, B.C.	13,500	-2.1	-4.1	24.0	2006-03-31
Nova Scotia Association of Health Organizations, nurses, province-wide, N.S.	4,000	3.9	5.7	36.0	2006-10-31
Peel District School Board, custodial and maintenance employees, Mississauga, Ont.	840	4.0	4.0	12.0	2004-08-31
Peel District School Board, office employees, Mississauga, Ont.	600	4.1	4.1	12.0	2004-08-31
Pembina Trails School Division, elementary and secondary teachers, Winnipeg, Man.	1,010	3.0	3.0	24.0	2004-06-30
Provincial Health Authorities of Alberta, paramedical professional employees, province-wide, Alta.	7,700	4.7*	5.5	36.0	2005-03-31
Red Deer Public School District No. 104, elementary and secondary teachers, Red Deer, Alta.	520	2.5	2.5	12.0	2004-08-31
Seven Oaks School Division No.10, elementary and secondary teachers, Seven Oaks, Man.	630	3.0	3.0	24.0	2005-06-30
Sisters of Charity of Ottawa Health Service, health service, maintenance and trade employees, Ottawa, Ont.	860	3.0	3.0	36.0	2005-03-31
Toronto Catholic District School Board, secondary teachers, Toronto, Ont.	2,070	6.1	6.1	12.0	2004-08-31
Université de Montréal, professors, Montréal, Que.	1,420	3.6	3.2	24.0	2005-05-31
Université de Québec à Montréal, support employees, Montréal, Que.	1,800	2.6	2.6	6.0	2004-11-30
Université de Sherbrooke, lecturers, Sherbrooke, Que.	2,070	0.8	2.1	48.0	2007-12-31
Université Laval, lecturers, Québec, Que.	1,600	6.3	15.3	36.0	2006-04-30
University of Victoria, teaching assistants, Victoria, B.C.	800	0.4	1.3	36.0	2006-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education Health and Social Services (continued)					
Upper Canada District School Board, occasional teachers, Brockville, Ont.	500	5.2	5.2	12.0	2004-08-31
York Catholic District School Board, office employees, Aurora, Ont.	750	2.5	2.5	24.0	2005-08-31
Public Administration (16 agreements)	28,230	3.4	3.5	20.5	
City of Calgary, police officers, Calgary, Alta.	1,440	3.3	3.7	27.0	2006-03-31
City of New Westminster, inside and outside employees, New Westminster, B.C.	740	2.6*	2.5	48.0	2006-12-31
City of Toronto, firefighters, Toronto, Ont.	2,950	3.5	3.5	36.0	2004-12-31
City of Vancouver, firefighters, Vancouver, B.C.	810	3.3*	3.8	48.0	2006-12-31
City of Winnipeg, administrative services employees, Winnipeg, Man.	550	3.0	4.5	36.0	2006-10-11
City of Winnipeg, police officers, Winnipeg, Man.	1,550	3.4	3.5	24.0	2004-12-23
Government of Alberta, administrative and program services employees, province-wide, Alta.	2,860	3.5	3.5	12.0	2004-08-31
Government of Alberta, administrative and support employees, province-wide, Alta.	7,060	3.5	3.5	12.0	2004-08-31
Government of Alberta, correctional officers, province-wide, Alta.	2,070	3.5	3.5	12.0	2004-08-31
Government of Alberta, general trades employees (non-construction), province-wide, Alta.	580	3.5	3.5	12.0	2004-08-31
Government of Alberta, natural resource conservation employees, province-wide, Alta.	850	3.5	3.5	12.0	2004-08-31
Government of Alberta, social workers, province-wide, Alta.	2,670	3.5	3.5	12.0	2004-08-31
Government of Alberta, technical employees, province-wide, Alta.	1,490	3.5	3.5	12.0	2004-08-31
Government of Canada, field interviewers, Canada-wide	850	4.6	3.2	48.0	2004-11-30
Government of Canada, regional office interviewers, Canada-wide	690	2.8	3.5	36.0	2004-11-30
Government of Canada, translators, Canada-wide	1,070	2.5	2.5	24.0	2005-04-18
Agreements with COLA (9 agreements)	15,150	3.8*	4.2	41.3	
Agreements without COLA (63 agreements)	124,150	2.6	2.6	27.3	
All Agreements (72 agreements)	139,300	2.7	2.8	28.8	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate.

Table 1
**Major Wage Settlements—All Sectors
by Year and Quarter**

YEAR	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
1985	516	838,620	24.5	3.7
1986	553	1,121,456	25.6	3.4
1987	478	1,111,330	29.9	4.0
1988	542	1,182,742	25.3	4.4
1989	453	1,001,786	29.6	5.2
1990	507	1,146,353	28.4	5.6
1991	547	1,345,643	18.2	3.6
1992	496	1,306,765	24.3	2.1
1993	518	1,412,471	23.9	0.7
1994	434	942,583	28.4	0.3
1995	402	908,803	32.8	0.9
1996	378	810,415	32.6	0.9
1997	379	692,219	33.9	1.5
1998	412	938,310	31.9	1.7
1999	379	828,140	36.0	2.2
2000	406	1,081,030	34.7	2.5
2001	426	988,220	33.4	3.2
2002	364	989,460	29.4	2.8
2003	341	617,200	35.6	2.6
2004*	72	139,300	28.8	2.7
* Year-to-Date				
QUARTER				
2003	I	86	107,010	31.7
	II	130	236,610	32.8
	III	47	136,240	42.3
	IV	78	137,340	37.0
2004	I	72	139,300	28.8
				2.7

Table 2
Major Wage Settlements—Public and Private Sectors
by Year and Quarter

Public Sector				Private Sector					
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment		Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR									
1985	316	566,785	21.7	3.8		200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6		232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1		208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0		241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2		159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6		224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4		182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0		195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6		171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0		135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6		187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5		166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1		159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6		191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0		160	317,550	37.6	2.7
2000	302	917,090	33.5	2.5		104	163,940	41.5	2.4
2001	260	693,400	32.0	3.4		166	294,820	36.5	3.0
2002	251	762,910	26.1	2.9		113	226,550	40.7	2.5
2003	248	471,140	32.9	2.9		93	146,060	44.3	1.5
2004*	50	100,630	26.4	2.8		22	38,670	35.2	2.7
* Year-to-Date									
QUARTER									
2003 I	62	80,550	28.7	2.9		24	26,460	40.8	2.4
II	95	174,990	29.5	3.1		35	61,620	42.3	0.8
III	34	121,690	41.7	3.2		13	14,550	47.5	2.3
IV	57	93,910	31.7	2.2		21	43,430	48.3	1.6
2004 I	50	100,630	26.4	2.8		22	38,670	35.2	2.7

Table 3
Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004			
			2	3	4	1
	%	%	%	%	%	%
Canada	2.8	2.6	2.5	3.1	2.0	2.7
Atlantic	4.1	3.1	3.5	4.2	2.7	3.3
Newfoundland and Labrador	6.6	3.1	-	5.0	2.2	-
Prince Edward Island	4.9	3.2	-	-	3.0	3.2
Nova Scotia	2.4	3.3	3.1	3.3	2.0	3.3
New Brunswick	2.7	2.8	3.8	-	2.9	3.4
Quebec	2.1	2.2	2.5	1.9	2.3	3.0
Ontario	3.0	3.3	3.5	3.7	2.9	3.1
Prairies	4.2	2.9	2.3	3.5	2.9	3.6
Manitoba	4.0	2.8	2.0	3.8	2.7	3.2
Saskatchewan	4.0	3.0	2.6	3.1	-	-
Alberta	4.5	3.0	2.5	3.3	3.6	3.7
British Columbia	1.9	1.3	1.5	2.5	0.8	-1.1
Territories	3.0	2.5	2.5	-	2.5	-
Multiprovince	4.3	2.4	2.8	1.8	-	-
Federal	2.7	2.1	0.8	3.1	3.0	3.0

Table 4

Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004			
			2	3	4	1
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	2.9	2.9	3.1	3.2	2.2	2.8
Atlantic	4.3	3.2	-	4.2	2.7	3.8
Newfoundland and Labrador	7.2	4.5	-	5.0	-	-
Prince Edward Island	4.9	3.0	-	-	3.0	3.2
Nova Scotia	2.3	3.4	-	3.3	-	3.9
New Brunswick	3.0	2.3	-	-	2.3	-
Quebec	2.0	2.1	2.4	1.8	2.1	3.1
Ontario	2.9	3.6	3.6	4.0	3.8	3.7
Prairies	4.8	3.2	3.3	3.5	2.9	3.6
Manitoba	4.6	3.0	3.0	3.8	2.7	3.2
Saskatchewan	4.5	3.4	-	3.1	-	-
Alberta	5.2	3.5	3.4	3.3	3.6	3.7
British Columbia	2.2	1.2	1.5	2.9	0.5	-1.3
Territories	3.0	2.5	2.5	-	2.5	-
Multiprovince	-	-	-	-	-	-
Federal	2.9	3.0	2.6	3.2	4.0	3.1
PRIVATE SECTOR						
Canada	2.5	1.5	0.8	2.3	1.6	2.7
Atlantic	2.7	2.9	3.5	-	2.6	2.4
Newfoundland and Labrador	3.0	2.5	-	-	2.2	-
Prince Edward Island	-	3.6	-	-	-	-
Nova Scotia	4.0	2.7	3.1	-	2.0	1.3
New Brunswick	1.4	3.7	3.8	-	3.5	3.4
Quebec	2.5	2.6	2.9	2.7	2.6	2.8
Ontario	3.2	2.0	2.4	2.3	1.3	2.4
Prairies	1.5	1.4	1.3	-	-	4.0
Manitoba	1.3	0.6	0.6	-	-	-
Saskatchewan	1.6	2.6	2.6	-	-	-
Alberta	1.6	1.6	1.4	-	-	4.0
British Columbia	1.4	1.4	1.7	2.0	1.3	3.7
Territories	-	-	-	-	-	-
Multiprovince	4.3	2.4	2.8	1.8	-	-
Federal	2.4	0.5	-0.2	2.5	2.7	2.8

Table 5
**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	2	3	4	2003–2004 1
All Industries						
Number of Agreements	362	341	130	47	78	72
Number of Employees	986,610	615,380	236,610	136,240	137,340	139,300
Duration in Months	29.5	35.8	32.8	42.3	37.0	28.8
% Wage Adjustment	2.8	2.6	2.5	3.1	2.0	2.7
Primary Industries						
Number of Agreements	3	2	1	-	-	3
Number of Employees	1,880	1,410	730	-	-	3,380
Duration in Months	36.5	36.0	36.0	-	-	36.0
% Wage Adjustment	2.1	2.7	3.8	-	-	3.0
Utilities						
Number of Agreements	15	13	7	1	2	4
Number of Employees	19,130	25,850	19,620	550	3,510	4,580
Duration in Months	33.0	33.8	32.8	36.0	36.0	16.0
% Wage Adjustment	2.4	2.4	2.2	2.4	2.4	3.2
Construction						
Number of Agreements	12	5	2	1	2	2
Number of Employees	23,660	3,110	1,110	800	1,200	15,200
Duration in Months	47.4	44.2	37.4	48.0	48.0	36.0
% Wage Adjustment	1.2	2.7	2.4	1.8	3.5	2.6
Manufacturing						
Number of Agreements	50	46	16	7	8	10
Number of Employees	92,530	41,860	13,450	7,940	5,830	9,900
Duration in Months	38.4	41.1	44.2	44.2	41.1	32.7
% Wage Adjustment	3.5	2.4	2.5	2.3	2.6	2.3
Wholesale and Retail Trade						
Number of Agreements	19	15	6	2	7	1
Number of Employees	51,720	47,230	12,280	1,350.0	33,600	950
Duration in Months	45.2	50.7	53.1	60.6	49.4	36.0
% Wage Adjustment	1.8	1.3	1.0	3.1	1.3	2.7

Table 5 (continued)

**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	2003–2004			
			2	3	4	1
Transportation						
Number of Agreements	12	25	6	6	6	4
Number of Employees	29,580	112,800	38,010	57,080	8,630	14,920
Duration in Months	31.5	44.0	39.5	47.6	40.4	42.8
% Wage Adjustment	2.4	2.0	0.4	2.9	2.5	2.9
Information and Culture						
Number of Agreements	8	10	3	1	4	1
Number of Employees	23,160	10,590	3550	700	2,770	1,100
Duration in Months	34.6	39.8	42.1	24.0	39.9	36.0
% Wage Adjustment	3.0	2.2	2.9	3.0	2.8	2.7
Finance and Professional Services						
Number of Agreements	8	6	2	1	2	-
Number of Employees	12,560	5,030	1,320	1,280	1,250	-
Duration in Months	55.2	39.3	41.3	24.0	56.2	-
% Wage Adjustment	2.1	2.5	2.0	2.5	3.1	-
Education, Health and Social Services						
Number of Agreements	167	162	76	12	27	31
Number of Employees	490,620	231,620	112,790	24,240	30,420	61,040
Duration in Months	23.6	26.8	25.1	24.8	29.7	27.1
% Wage Adjustment	3.0	3.4	3.4	4.3	3.6	2.4
Entertainment and Hospitality						
Number of Agreements	12	8	1	1	2	-
Number of Employees	10,400	7,270	520	1,240	1,600	-
Duration in Months	43.6	42.2	36.0	48.0	48.0	-
% Wage Adjustment	2.5	2.6	3.3	1.8	2.6	-
Public Administration						
Number of Agreements	56	49	10	15	18	16
Number of Employees	231,370	128,610	33,230	41,060	48,530	28,230
Duration in Months	30.0	37.0	37.5	44.9	30.7	20.5
% Wage Adjustment	2.6	2.3	2.9	3.0	1.2	3.4

Table 6
**Major Wage Settlements—Public Sector Breakdown
by Year and Quarter**

	2002	2003	2003–2004	2003–2004	2003–2004	2003–2004
			2	3	4	1
Federal Administration						
Number of Agreements	11	4	1	3	-	3
Number of Employees	54,800	20,650	10,500	10,150	-	2,610
Duration in Months	34.6	33.2	32.0	34.5	-	35.0
% Wage Adjustment	2.9	3.1	2.4	3.8	-	3.3
Federal Crown Corporations						
Number of Agreements	4	7	2	2	2	-
Number of Employees	5,390	60,650	8,030.0	48,700	2,150	-
Duration in Months	36.3	45.3	43.8	47.7	27.1	-
% Wage Adjustment	2.7	3	2.9	3.0	3.8	-
Provincial Administration						
Number of Agreements	24	24	3	-	14	6
Number of Employees	135,570	62,730	8,380	-	43,710	14,720
Duration in Months	27.0	31.4	35.0	-	29.8	12.0
% Wage Adjustment	2.3	1.7	3.8	-	1.0	3.5
Local Administration						
Number of Agreements	31	40	9	16	10	6
Number of Employees	62,230	74,450	17,740	38,050	12,900	8,040
Duration in Months	34.5	43.7	41.5	46.8	41.8	34.4
% Wage Adjustment	3.0	2.7	2.9	2.6	2.7	3.3
Education, Health and Welfare						
Number of Agreements	168	162	75	12	29	31
Number of Employees	490,290	226,640	112,090	24,240	31,640	62,950
Duration in Months	23.7	26.6	25.1	24.8	30.2	26.3
% Wage Adjustment	3.0	3.4	3.4	4.3	3.6	2.4
Public Utilities						
Number of Agreements	11	10	5	1	2	4
Number of Employees	11,780	23,630	18,250	550	3,510	12,310
Duration in Months	32.6	35.1	34.0	36.0	36.0	36.9
% Wage Adjustment	3.1	2.3	2.2	2.4	2.4	3.1

Table 7

**Selected Economic Indicators
by Year and Quarter**

	<u>2002</u>	<u>2003</u>	<u>2</u>	<u>3</u>	<u>2003–2004</u> <u>4</u>	<u>1</u>
Wage Adjustment (%)						
Ratified Agreements	2.8	2.6	2.5	3.1	2.0	2.7
Public Sector	2.9	2.9	3.1	3.2	2.2	2.8
Private Sector	2.5	2.5	0.8	2.3	1.6	2.7
Wage Adjustment (%)						
Agreements in Force	3.0	2.6	2.8	2.6	2.5	2.4
Public Sector	3.2	2.7	2.9	2.7	2.6	2.5
Private Sector	2.6	2.4	2.5	2.4	2.3	2.2
[†]Consumer Price Index						
Percentage Change ¹	2.2	2.8	2.8	2.1	1.7	0.9
[†]GDP² at Basic Prices³						
Percentage Change ¹	3.2	2.1	1.8	1.3	1.9	1.7
[‡]Labour Productivity Growth (%)	1.2	-0.1	-0.8	-0.2	-0.1	0.0
[‡]Unit Labour Cost (%)	0.5	1.5	2.3	1.8	1.2	1.2
[†]Unemployment Rate³ (%)	7.7	7.6	7.7	7.9	7.5	7.4
[†]Employment³ (000's)	15,412	15,746	15,700	15,733	15,875	15,919
Percentage Change ¹	2.2	2.2	2.3	1.5	1.8	1.6
[†]Average Weekly Earnings³	\$681.81	\$689.60	\$688.44	\$689.71	\$694.11	\$698.58
Percentage Change ¹	2.0	1.2	1.3	1.1	1.2	1.8
[†]Average Hourly Earnings	\$17.09	\$17.20	\$17.14	\$17.22	\$17.40	\$17.57
Percentage Change ¹	1.8	0.7	0.1	1.0	2.2	3.1

¹ Percentage change from the same period of the previous year.

² GDP—Gross domestic product at factor cost (1997) prices.

³ Seasonally adjusted data.

[†] Statistics Canada.

[‡] Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

WORK STOPPAGES

*Workplace Information Directorate
Labour Program, Human Resources and Skills Development Canada*

First Quarter 2004 (500 or More Employees)

There were seven work stoppages involving 500 and more employees during the first quarter of 2004 in Canada. Three major work stoppages accounted for 93 per cent of the person-days not worked. The strike involving Canadian National Railway Company and National Automobile, Aerospace, Transportation and General Workers Union of Canada represented 112 380 person-days not worked, 71 per cent of the total. In Ontario, the

work stoppage of 1 100 employees of Falconbridge Limited represented 17 290 person-days not worked and accounted for 11 per cent of the total. Finally, the work stoppage between Hershey Canada Inc. and National Automobile, Aerospace, Transportation and General Workers Union of Canada accounted for 17 140 person-days not worked which represented another 11 per cent of the total person-days not worked.

Table 1
Major Work Stoppages—First Quarter 2004

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	-	-	-	Primary Industries	1	1,100	17,290
Prince Edward Island	-	-	-	Utilities	-	-	-
Nova Scotia	-	-	-	Construction	-	-	-
New Brunswick	-	-	-	Manufacturing	1	600	17,470
Quebec	3	5,430	10,160	Wholesale and Retail Trade	-	-	-
Ontario	2	1,700	34,430	Transportation	1	5,540	112,380
Manitoba	-	-	-	Information and Culture	-	-	-
Saskatchewan	1	1,130	500	Finance and Professional Services	-	-	-
Alberta	-	-	-	Education, Health and Social Services	3	5,730	9,000
British Columbia	-	-	-	Entertainment and Hospitality	-	-	-
Territories	-	-	-	Public Administration	1	830	1,660
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	6	8,260	45,090	Total	7	13,800	157,470
<i>Canada Labour Code—Part I</i>	1	5,540	112,380				
Federal Administration	-	-	-				
Federal Total	1	5,540	112,380				
Total	7	13,800	157,470				

Source : Workplace Information Directorate.

Fourth Quarter 2003 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2A
All Work Stoppages
Cumulative to December 31, 2003

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	8	5,860	56,980	Primary Industries	11	7,838	281,240
Prince Edward Island	1	5	550	Utilities	1	37	790
Nova Scotia	4	636	17,370	Construction	-	-	-
New Brunswick	3	514	7,810	Manufacturing	91	19,376	577,470
Quebec	106	21,335	700,130	Wholesale and Retail Trade	32	9,818	256,090
Ontario	92	23,694	493,380	Transportation	20	6,645	48,020
Manitoba	9	1,488	13,420	Information and Culture	9	2,459	192,330
Saskatchewan	3	153	9,020	Finance and Professional Services	10	866	28,840
Alberta	2	95	2,050	Education, Health and Social Services	44	26,988	284,210
British Columbia	10	17,726	193,890	Entertainment and Hospitality	28	2,957	56,330
Territories	-	-	-	Public Administration	15	1,493	17,230
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	238	71,506	1,494,600	Total	261	78,477	1,742,550
<i>Canada Labour Code— Part I</i>	21	6,571	247,150				
Federal Administration	2	400	800				
Federal Total	23	6,971	247,950				
Total	261	78,477	1,742,550				

Source : Workplace Information Directorate.

First Quarter 2004 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2B
All Work Stoppages
Cumulative to March 31, 2004

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	2	53	150	Primary Industries	2	1,093	17,950
Prince Edward Island	-	-	-	Utilities	-	-	-
Nova Scotia	3	355	5,230	Construction	-	-	-
New Brunswick	1	37	2,370	Manufacturing	23	1,989	42,579
Quebec	48	8,182	88,609	Wholesale and Retail Trade	7	362	16,540
Ontario	29	3,170	52,440	Transportation	7	5,767	114,800
Manitoba	1	16	350	Information and Culture	5	204	9,010
Saskatchewan	2	1,226	2,520	Finance and Professional Services	4	78	4,240
Alberta	-	-	-	Education, Health and Social Services	22	6,870	25,390
British Columbia	4	381	6,220	Entertainment and Hospitality	21	1,932	44,430
Territories	-	-	-	Public Administration	6	912	3,770
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	90	13,420	157,889	Total	97	19,207	278,709
<i>Canada Labour Code—</i>							
<i>Part I</i>	7	5,787	120,820				
Federal Administration	-	-	-				
Federal Total	7	5,787	120,820				
Total	97	19,207	278,709				

Source : Workplace Information Directorate.

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Website at

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

All Work Stoppages

Table 3
A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month ¹			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1995	282	328	149,159	1,583,070	0.05
1996	297	330	275,666	3,269,060	0.11
1997	229	284	257,664	3,607,710	0.12
1998	341	381	244,402	2,443,870	0.08
1999	355	410	158,142	2,435,040	0.08
2000	316	374	129,470	1,585,390	0.05
2001	322	378	220,418	2,198,580	0.07
2002	251	294	167,945	3,028,450	0.09
2003	216	261	78,889	1,753,580	0.05
2004*	60	97	19,207	278,709	0.03
* Year-to-date					
2003					
March	26	62	15,133	188,520	0.07
April	27	66	11,999	173,510	0.06
May	21	60	19,390	157,140	0.05
June	23	62	17,247	183,460	0.06
July	18	61	9,801	179,330	0.06
August	14	50	13,954	158,260	0.05
September	21	62	10,369	100,720	0.03
October	15	60	5,509	80,580	0.03
November	17	53	10,855	128,510	0.04
December	9	51	17,182	118,810	0.04
2004					
January	13	50	7,012	47,389	0.02
February	27	62	10,830	98,940	0.03
March	20	65	11,957	132,380	0.05

¹ Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program, Human Resources and Skills Development Canada, covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike

or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

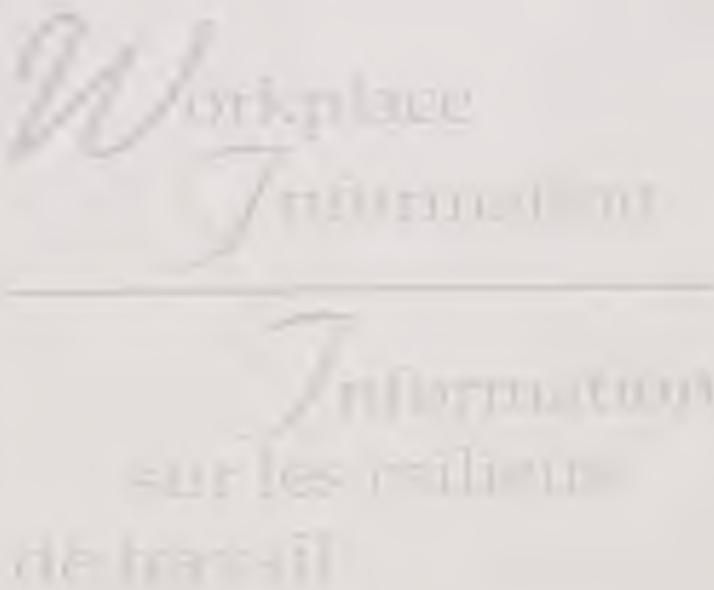
Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establish-

ments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part I of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program, Human Resources and Skills Development Canada.
May, 2003.



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Workplace Information Directorate

Liaison Program

Human Resources and Skills Development Canada

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Selected Provisions in Collective Agreements

Marie-Ève Bédard

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Labour Program, Human Resources and Skills Development Canada

Retirement Plans

Introduction

The life of a worker in the 1970s may be summed up, on average, as 45 years of work and 15 years of retirement, with the age of retirement being around 65. The life of today's worker, however, is evenly divided between 30 years of work and 30 in retirement. Indeed, according to Dubois and Ntetu (2002), two diametrically opposed phenomena are now causing an upheaval in the perception of work and the evolution of life: while life expectancy is increasing, the length of working careers is decreasing. Retirement has thus become an important phase in the life of individuals. To ensure sufficient financial resources, it is now necessary to prepare for it.

The Canadian retirement income system consists of three components: contributory public pension plans, non-contributory public pension plans and private pension plans.

1. Definitions

First, it is important to define certain terms essential to understanding pension plans. A **pension** is a financial contract that promises retired persons a revenue in the form of regular payments. This promise may be made by a wide variety of agents, including employers, insurers, unions, governments and other institutions offering financial services (Mitchell 1998). Moreover, a pension is defined by the *grand dictionnaire terminologique* (2003), the

official online dictionary of the Office québécois de la langue française, as regular received payments paid out from a capital fund accumulated from contributions or premiums.

A **contribution** is the share paid by an employee or his or her employer into a public (social security plan) or private (retirement or other plan) benefit plan (*Le grand dictionnaire terminologique* 2003). Contributions then allow the establishment and maintenance of a fund from which benefits are drawn and periodically paid to retired employees. A **benefit** is a regular payment (often monthly) that is aimed at ensuring the economic security of his or her recipient (*Le grand dictionnaire terminologique* 2003).

Finally, according to Ascah (1996), **financial security at retirement** consists of sufficient capital to generate the revenues necessary to maintain the standard of living an individual experienced prior to retirement.

2. Public Pension Plans

2.1 Contributory Public Pension Plans

Contributory public pension plans are compulsory and are financed solely by employee and employer contributions, which are based on the earnings of the workers. The Canada Pension Plan and

Quebec Pension Plan (for that province) thus allow employees to obtain retirement benefits as high as 25 per cent of the average annual salary they earned during their working lives (Thériault and St-Onge 2000). When retirement is entered into at 65 years of age, the maximum benefit of both the Canada Pension Plan (Social Development Canada 2004) and the Quebec Pension Plan (Quebec Pension Plan 2004) reaches \$814.17 per month. This benefit is granted at 65 years of age for the Canada Pension Plan, and at 60 years of age for the Quebec Pension Plan.

2.2 Non-Contributory Public Revenues

In order to guarantee a minimum income to meet the basic needs of Canadians over 65 years of age, the federal government funds the Old Age Security program through its general tax revenues. This program, managed by Social Development Canada's Income Security Programs Branch, is aimed at distributing the Seniors Benefit portion of the basic pension allowed under the Old Age Security / Guaranteed Income Supplement.

According to Social Development Canada (2004), the Old Age Security pension is a monthly benefit provided on demand to most Canadians of at least 65 years of age who meet their residency requirements—in this case, being a Canadian citizen or a legal resident of Canada on the day preceding the application's approval or, if no longer living in Canada, having been a Canadian citizen or a legal resident of Canada on the day preceding the day he or she stopped living in Canada. Moreover, the applicant must have lived in Canada for a minimum of 10 years after age 18. The amount of a person's pension (full or partial) is determined by how long he or she lived in Canada.

Again according to Social Development Canada (2004), the Guaranteed Income Supplement is a monthly benefit provided to Canadian residents who receive an Old Age Security pension, and whose revenue is very low or nil. The amount of the benefit depends on the marital status of the individual as well as on his or her revenue.

3. Private Group Retirement Plans

According to Ascah (1996), public pension plans are insufficient to maintain the standard of living during retirement of middle- and upper-income earners.

Private group retirement plans are either voluntarily implemented by the employer or are the result of negotiations between the parties involved. They may be contributory, where the employee makes the contributions, or non-contributory, funded solely by the employer.

Many collective agreements include provisions containing information on retirement plans. According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004),¹ such information is available in 725 of 1,175 listed collective agreements, or 61.7 per cent of agreements, covering 1,776,077 employees. These 725 agreements are equally distributed between the public sector (50.5 per cent covering 1,248,085 employees) and the private sector (49.5 per cent affecting 527,992 workers) agreements. Moreover, 28.7 per cent (741,455 employees) of agreements containing information on available retirement plans were in the education, health, and social services sector, while 22.6 per cent (155,050 employees) were in the manufacturing sector.

¹ This analysis is based on small (100 to 499 employees) and medium-sized (500 to 1,999 employees) negotiation units that are part of the stratified sample as well as all large (2,000 employees or more) units that are tracked by the Workplace Information Directorate.

3.1 Defined Contribution Retirement Plans

There are three distinct formulas for private group retirement plans. The first is the defined contribution plan for which the employer, sometimes jointly with the employee, contributes a fixed predetermined amount. The resulting pension depends on the rate of return attained through the investment of the contributions as well as on all other circumstances that affect the appropriate actuarial valuation of the plan at the time of each employee's retirement (Hébert 1992).

This type of plan may work through money purchase or profit sharing. Where money purchase plans are concerned, the pension benefit is established based on the consolidation of contributions and investment income derived from these contributions. Data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004) indicate that 61 of the 1,175 current agreements, representing 5.2 per cent and affecting 67,500 workers, contain a provision on money purchase defined contribution retirement plans. Of these 61 agreements, 77.0 per cent are from the private sector (42,310 workers), and 24.6 per cent (6,550 workers) were ratified in the manufacturing sector.

Excerpts from various collective agreements:

Calgary Co-operative Association Limited
and Union of Calgary Co-operative Employees
2001-2004, 6427(1)(1) (c) cited from "Pension
for Tomorrow Co-operative Superannuation Fund
Society Pension Plan," 2000-01

How much will my monthly pension be?

Because the Pension Plan is a defined contribution, or money purchase pension plan, the amount of your pension will depend on the following:

- (a) the total contributions made by you and your employer,*
- (b) the income earned by the Pension Plan and allocated to members each year;*

- (c) your age when you start pension and your spouse's age (if applicable),*
 - (d) the type of pension you choose,*
 - (e) the pension cost at the time you start the pension.*
- (...)*

Vidéotron Ltd. and Syndicat des employés de Vidéotron Ltd., CUP-1, Lien 2814-100-2006-1060402, L3 cited from "Régime supplémentaire de retraite - employés syndiqués División Montréal," 3998055

[Translation]

1. Employee Contributions

You must pay into the Plan, as an employee contribution, an amount equal to 6.0 per cent of your salary. This contribution is tax deductible and deducted directly from your salary.

Furthermore, if, during a period of temporary absence, you receive a salary, you must continue contributing to the Plan. However, if, during such a period, you receive no salary, you may continue contributing if this period of absence does not exceed the allowable limits as stipulated by the applicable legislation. Your contributions are then calculated based on the salary you received at the beginning of such a period.

2. Employer Contributions

Your employer pays into the Plan, as an employer contribution, an amount equal to 6.0 per cent of the salary paid to each participant.

3. Additional Voluntary Contributions

You may make additional contributions to the Plan in accordance with the rules accepted by the Retirement Committee and Revenue Canada, Taxation. It is

permitted to invest an overall amount for retirement equal to 18 per cent of your salary. Since you and your employer already invest 12 per cent, an additional 6.0 per cent of your salary may be paid as additional voluntary contribution into the Plan. These contributions must be deducted at source.

Additional contributions accumulate with interest and may, at any time, be reimbursed or transferred into your RRSP (Registered Retirement Savings Plan). Furthermore, they may be used at the time of your retirement to purchase an additional pension.

Upon termination of service, you will be reimbursed all accumulated contributions with interest.

In the event of your death, your beneficiary will receive the reimbursement of your accumulated additional contributions with interest, unless they already form part of the pension you were receiving.

Finally, with respect to profit-sharing defined contribution retirement plans, the retirement benefit is based on the consolidation of the amounts invested by the employers on the basis of profits earned by their companies. The employee does not contribute to this type of plan. No collective agreement in the database contains such provisions; such plans are mostly found in small- and medium-sized firms or non-union companies.

3.2 Defined Benefit Retirement Plans

According to Hébert (1992), the second formula for private group retirement plans is defined benefit, which consists of a guarantee of a pre-established benefit to be received by employees. In effect, the nature of the benefit is known in advance and contributions may vary in order to balance the plan.

The 684 collective agreements containing a provision related to defined benefit retirement plans represent 58.2 per cent of the 1,175 current collective agreements and cover some 1,748,417 employees.

Defined benefit retirement plans are based on four distinct formulas: the average salary, the final-average earnings, the highest salary, or they may be fixed or flat rate benefits.

3.2.1 Average Salary

According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004), 74 of the 684 agreements, representing 10.8 per cent and affecting 159,910 employees, contain a clause regarding a defined benefit retirement plan that bases these benefits on employees' average salaries. In these cases, the pension received by a retired worker is calculated as a percentage of the salary received for each year of service.

Excerpts from various collective agreements:

University of Victoria and Canadian Union of Public Employees, 1990–2002, 0535307.
Excerpt from "University of Victoria Staff Pension Plan," 5900070.

VIII. Retirement Benefits

1. Normal Retirement Benefit

(a) upon the retirement of a member on his or her normal retirement date the initial annual retirement benefit, payable monthly, shall be equal to:

- (i) an annual retirement benefit, payable monthly, equal to the applicable percentage of the member's average annual basic salary up to the average YMPE for the year in which the member retires for each year of credited service rendered by the member, plus*

- (ii) an annual retirement benefit, payable monthly, equal to the applicable percentage of the member's average annual basic salary in excess of the average YMPE for the year in which the member retires for each year of credited service rendered by the member, less
- (iii) the annual retirement benefit, payable monthly, commencing on the member's normal retirement date under any prior plan calculated and paid on the basis of the normal form of retirement benefit under this Plan with payments commencing on the said normal requirement date to which the member may be entitled.

(...)

16(a)-Dela Grace Hospital and Service Employees International Union, 1996-2001.
165003, Excerpt from "Hospitals of Ontario Pension Plan (HOOPP)."

Retirement—How much pension?

(...)

For each year of contributory service, your basic lifetime HOOPP pension will be:

1.5 per cent of your average annualized earnings up to the average year's maximum pensionable earnings (YMPE); plus 2.0 per cent of your average annualized earnings above the average YMPE.

(...)

3.2.2 Final Average Earnings

Defined benefit retirement plans based on final average earnings are part of 36 of the 684 agreements containing a provision related to defined benefit retirement plans, or 5.3 per cent affecting 39,920 employees.

Excerpts from various collective agreements:

hance & maintain fair and effective communication,
Encore and Raise your Rets! (January 5, 2004)
Vol. 21 No. 110, 1999-2004, 01/02/05.

28:03 Pension Benefits:

A member retiring on or after January 1, 1996, shall receive, subject to the provisions of the plan applicable in the event of early retirement, a monthly pension, the annual amount of which shall be equal to:

- i) 1.65% of the member's Final Average Earnings multiplied by his number of years of "pensionable service" prior to his retirement, less
- ii) 1/35 of the maximum pension payable under the Canada Pension Plan (CPP) during the calendar year of his retirement, multiplied by his number of years of "pensionable service" between January 1, 1966 and the date of his retirement, subject to a maximum of 14 years.

16(d)-Termination of a joint committee and Joint Services Board of Thunder Bay Lodge #81, 2000-2003, 01/02/07, Excerpt from "Member's Guide to the Retirement Plan for the Family Lodge #81, Thunder Bay," 01/02/00.

Your Pension Benefit

Normal or Special Early Retirement

The pension benefit you receive at your Normal or Special Early Retirement Date (for Service after July 1, 1984) is based on a combination of your:

Credited Service—Credited Service of a member in respect of service after June 30, 1984 is equal to the number of years and months determined on the basis of the number of hours for which the member has contributed during a year according to the schedule in the glossary of terms.

Final Average Earnings—One-fifth of the total of earnings on which Required Contributions were made during the 130 bi-weekly pay periods in the 260 bi-weekly

pay periods immediately prior to retirement, death or termination of employment, during which bi-weekly earnings were highest.

Final Average Canada Pension Plan Earnings—One-fifth of the Canada Pension Plan Earnings in the year of retirement, death of termination of employment, whichever is applicable, and the four preceding years.

These items are used in the following way to determine your pension benefit:

1.25% of Final Average Earnings up to the Final Average Canada Pension Plan Earnings multiplied by years of Credited Service after June 30, 1984, plus 1.75% of Final Average Earnings in excess of the Final Average Canada Pension Plan Earnings multiplied by years of Credited Service after June 30, 1984.

3.2.3 Highest Average Salary

Yet another defined benefit retirement plan formula is that based on the salary obtained during the best working years as established by the following formula: a certain percentage of an employee's salary multiplied by the number of years of service and by the average salary of the best three or five years. Contributions are decided with the help of an actuarial analysis and according to circumstances. This is the most widely used of all defined benefit retirement plan formulas and can be found in 405 of the 684 agreements containing a provision on defined benefit retirement plans, or 59.2 per cent covering 1,302,725 employees. Of these 405 agreements, fully 80.5 per cent (1,161,345 employees) are found in the public sector and 45.4 per cent (598,925 employees) are in the education, health and social services sector.

Excerpts from various collective agreements:

City of Calgary and Amalgamated Transit Union, 2003–2006, 0378008. Excerpt from "Local Authorities Pension Plan," 460003.

How is my Pension Calculated?

The amount of your pension is based on your length of service and the average of your five highest consecutive years of salary (highest average salary).

Peace Wapiti Regional Division No. 33 and Alberta Teachers' Association, 2000–2001, 1017204. Excerpt from "Teachers' Retirement Fund Act," 480006.

36(1) Subject to subsection (2) and the by-laws of the Board, the normal pension payable to a teacher on his retirement shall be an amount equal to 2% of the average annual salary paid to the teacher for the 5 consecutive years of his pensionable service during which his salary was the highest, multiplied by the total number of years of his pensionable service (taking into account parts of years) or by 35, whichever number is less, and shall be his life or a term of 5 years certain, whichever is longer.

3.2.4 Fixed or Flat Rate Benefits

There also exists a defined benefit retirement plan formula with fixed or flat rate benefits. These fixed amounts are determined by the number of years during which the individual contributed to the retirement plan. This type of flat rate benefit retirement plan appears in 169 of the 684 agreements containing provisions pertaining to defined benefit retirement plans, or 24.7 per cent covering some 245,862 employees. It should be noted that 97.6 per cent (235,932 employees) of these 169 agreements are found in the private sector and that 43.2 per cent (81,930 employees) were within the manufacturing sector.

Excerpts from various collective agreements:

Nevans Canada Inc. and United Steelworkers of America, Local 187, 2001-2003 (2210918).

Pension Plan

Effective February 20, 2002 the pension is \$40.00 per month X yrs of service

Effective February 20, 2003 the pension is \$43.00 per month X yrs of service

Effective February 20, 2004 the pension is \$45.00 per month X yrs of service

Effective February 20, 1999 employees are eligible to retire at age 60 with at least 25 years of service with a bridge to age 65 as follows:

Effective February 20, 2002, \$13.00 per month X yrs of service

Effective February 20, 2003, \$14.00 per month X yrs of service

Effective February 20, 2004, \$15.00 per month X yrs of service

Note: Pension bridging can be attained at age 55 at a reduced rate. See human resources department for more information.

A bridge benefit consists of a supplemental monthly benefit granted to an employee following his or her retirement, and until the day the employee is entitled to the benefit provided for by the government plan. The bridge benefit thus bridges the income gap until age 65.

Miramar Giant Mine Inc. and National Automobile, Aerospace, Transportation and General Workers' Union of Canada, 2002-2005, (1111106).

28.03 Pension Plan—Non Contributory

- i) *The basic benefit will be thirty-seven dollars and fifty cents (\$37.50) per year of continuous service effective November 16, 1997.*

3.3 Hybrid or Combination Retirement Plans

Hybrid or combination retirement plans represent the third formula and include characteristics of both defined benefit and defined contribution plans. According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004), only 9 of the 1,175 current collective agreements contain a provision for such a plan, or 0.8 per cent covering 69,730 employees, and all of these agreements are found in the private sector.

Excerpt from one collective agreement:

QESI Forest Climate Inc. and Syndicat des ouvriers du secteur du bois (C.S.N.), 2001-2006, (186762).

[Translation]

1. Eligibility

Any salaried employee working for the Employer who is a member of the bargaining unit and retroactively joins the supplemental pension plan as soon as he or she has accumulated at least 700 hours. Retroactive enrolment means that the 700 hours will count for credited service with respect to defined benefits according to the schedule defined in the section.

2. Furthermore, for the purposes of Section 10 (Contributions), the Company will contribute retroactively, with respect to defined benefits, for these 700 hours.

(...)

Defined Benefit Component

3. Normal Retirement

Any salaried employee may retire on the first day of the month following his or her 65th birthday (normal retirement date).

a) Service prior to April 30, 1991

Plan "A"

- 1) An employee registered in Plan "A" on April 29, 1991, is entitled to a lifetime monthly benefit of \$35 for each year of credited service prior to April 30, 1991.
- 2) However, an employee registered in Plan "A" on April 29, 1991, who retires after April 30, 2005, is entitled to a lifetime monthly benefit of \$39 for each year of credited service prior to April 30, 1991.

Plan "B"

- 3) An employee registered in Plan "B" on April 29, 1991, is entitled to a lifetime monthly benefit of \$25 for each year of credited service prior to April 30, 1991.
- 4) However, an employee registered in Plan "B" on April 29, 1991, who retires after April 30, 2005, is entitled to a lifetime monthly benefit of \$29 for each year of credited service prior to April 30, 1991.

5) Individual Pension Fund for Past Service (IPFPS)

(Section X—Collective Agreement)

An employee eligible for an individual pension fund for past service prior to January 1, 1969, will see his or her monthly benefit under the supplemental retirement plan decreased by an amount of monthly benefit actuarially equivalent to the lump-sum of his or her individual pension fund.

6) Group RRSP

The monthly benefit payable under the supplemental retirement plan to Plan "A" registrants will be reduced by the amount of the monthly benefit that overall Company contributions

to the group RRSP produce, excluding the return obtained on those contributions.

The value of Company contributions to the group RRSP of Plan "A" registrants is subject to the Supplemental Pension Plans Act.

b) Service commencing on April 30, 1991

- 1) An employee is entitled to a lifetime monthly benefit of \$25 for each year of credited service as of April 30, 1991. However, an employee who retires after April 30, 2005, is entitled to a lifetime monthly benefit of \$29 for each year of credited service subsequent to April 30, 1991.
- 2) An employee whose plan participation is interrupted when he or she is 50 years of age or older on April 30, 1993, is entitled, for each year of credited service from April 30, 1991, to April 29, 1993, to a lifetime monthly benefit calculated according to section 3(b)1 and increased by \$10.

c) Temporary Clause

- 1) Notwithstanding subsections (a) and (b), an employee who retires on his or her normal retirement date, who takes early retirement as per section 4(b), or delayed retirement as per section 6, between April 30, 2001 and May 1, 2006, is entitled to a lifetime monthly benefit for each year of credited service as provided for in the table below:

The monthly benefit of employees who retire during the present collective agreement will be reassessed each May 1 following retirement in accordance with the table above, for each year of credited service accumulated at the time of retirement.

2) The monthly benefit payable under the defined benefit component to employees who retire between April 30, 2001, and May 1, 2006, will be reduced by the amount of monthly benefits provided by overall Company contributions to the group RRSP and to the defined contribution component. For Plan "A" registrants, the return on Company contributions to the group RRSP is excluded, as stipulated in subsection 4 of section 3(a).

For employees who retire between April 30, 2001, and May 1, 2006, the total monthly benefit payable under the defined benefit and defined contribution components of the Plan, and of Company contributions to the group RRSP may not be less than the fixed amounts mentioned in subsection 3(c)1 for each year of credited service.

(...)

10. Contributions

As of April 30, 1998, the Company shall contribute 4.0% of the base salary of each registrant to an account established in that person's name.

For Plan purposes, the base salary is defined as being the standardized hourly rate of the member multiplied by the number of hours accumulated; accumulated hours are hours used to tabulate accumulated credited service for the defined benefit component (section 2). An employee does not contribute to this Plan.

<i>Retirement Date</i>	<i>Fixed Amount</i>
<i>from May 1, 2001 to April 30, 2002</i>	<i>\$42.00</i>
<i>from May 1, 2002 to April 30, 2003</i>	<i>\$43.00</i>
<i>from May 1, 2003 to April 30, 2004</i>	<i>\$44.00</i>
<i>from May 1, 2004 to April 30, 2005</i>	<i>\$45.00</i>
<i>from May 1, 2005 to April 30, 2006</i>	<i>\$46.00</i>

4. Financing of Private Retirement Plans

4.1 Non-Contributory Retirement Plans

In non-contributory retirement plans, the employer is responsible for all contributions and benefits from simplified management of the plan (Hébert 1992).

4.1.1 Non-Contributory Retirement Plans Without Possibility of Additional Voluntary Contributions

Non-contributory plans without the possibility of or reference to additional voluntary contributions represent 136 of the 1,175 current collective agreements, or 11.6 per cent covering some 210,410 employees. Of these 136 agreements, nearly all—or 96.3 per cent affecting 201,200 employees—were in the private sector. Furthermore, 46.3 per cent of these 136 agreements (90,350 employees) were in the manufacturing sector.

Excerpts from various collective agreements:

*NFL Canada Atlantic Communication and Technical Workers Union, 1989-2007
04000017, Excerpt from "NFLC Employee Pension Plan," 12/00/01*

Plan Description

(...)

Our pension plan is a non-contributory defined benefit type of plan. This simply means that it is entirely funded by the Company with no contributions required from the employees, and the benefits received upon retirement are defined by a specific formula.

(...)

Saint John Construction Association Incorporated and United Brotherhood of Carpenters & Joiners of America, 1993–2003, 0273805. Excerpt from "Pension Plan," 130012.

How your plan works

A pension plan is a special long-term savings fund designed to provide income for your retirement. There are many different types of pension plans which work in different ways. The Pension Plan for the New Brunswick Carpenters Pension Trust is a "defined contribution" pension plan. Here's an overview of how it works.

- (...)

- *You are not permitted to contribute to the Plan. All contributions are made by your Employer.*

- (...)

4.1.2 Non-Contributory Plans with Possibility of Additional Voluntary Contributions

Non-contributory financing clauses with the possibility of additional voluntary contributions are rare. They are contained in only 55 of the 1,175 current collective agreements, or 4.7 per cent representing 90,072 employees.

Excerpts from various collective agreements:

CFCF Inc. (Div. CFCFTV) and Communications, Energy and Paperworkers Union of Canada, 1993–2001, 0388404. Excerpt from "Régime de retraite des salariés de CFCF Inc. et de ses sociétés affiliées," 9900168.

[Translation]

Retirement Plan Overview

- (...)

Basic benefit

- *This component guarantees you a retirement benefit.*

- *There is no need for contributions as the Company assumes 100% of the cost.*

- (...)

*Retirement Savings Account
(voluntary contribution)[sic]*

- *You choose the percentage of your salary you wish to contribute, up to the maximum allowed for under the Plan.*
- *The Company adds a 25% matching share to your contributions, up to a maximum of 1% of your salary.*
- (...)

Great Atlantic & Pacific Company of Canada, Limited and United Food and Commercial Workers International Union, 2000–2003, 1236201. Excerpt from "The Quick Guide to Understanding Your Pension Plan," 350156.

What is the Canadian Commercial Workers Industry Pension Plan?

- (...)

Each of these employers is required to contribute to the Pension Plan. You are not required to make any contributions.

- (...)

Can you make a self-payment to increase your pension?

Yes—provided you have at least two years of membership in the UFCW or two years of service with your employer and if you are within 150 hours of the next higher level of pension for the year, (...). The self-payment amount is equal to the number of hours you are short to reach the next level of pension, multiplied by the rate of contribution paid by your employer, for current service. (...)

4.2 Contributory Retirement Plan

Under a **contributory retirement plan**, an employee normally contributes to the plan's financing through payroll deductions. According to Dolan et al. (2002), in spite of the fact that regulations require minimum contributions on the part of the employer, it may be necessary, even preferable, that employees also contribute. The benefits of contributory retirement plans are many. Indeed, this type of plan

allows for the accumulation of larger funds for employees, decreasing the financial burden on employers. Employee contributions increase employee interest and awareness with respect to the costs associated with the plan, and these contributions are tax deductible.

4.2.1 Contributory Retirement Plan without Possibility of Additional Voluntary Contributions

According to Human Resources and Skills Development Canada's Workplace Information Directorate (2004), 467 of the 1,175 tabulated collective agreements (39.7 per cent covering 1,333,885 employees) possess clauses pertaining to the financing of "contributory" retirement plans without the possibility or mention of additional voluntary contributions. Of these 467 agreements, fully 71.5 per cent (1,187,145 employees) come from the public sector. This high percentage is not surprising since 42.6 per cent (690,735 employees) of these agreements were in the education, health and social services sector.

Excerpts from various collective agreements:

Comité patronal de négociation secteur santé et services sociaux sud fédération des infirmières et infirmiers du Québec, 2000-2002, 10.37602, 1, excerpt from "Mémoire RRDGOPT Government and Public Employees Retirement Plan, 140001"

[Translation]

Plan Contributions

Contribution Rate

*The contribution rate has been 7.68% of pensionable earnings since January 1, 1993.
(...)*

Northwest Tel Inc. and International Brotherhood of Teamsters
2003-2004, 12.95008, 1, excerpt from "Pension Plan & Collective Understanding Your Benefits," 1999

Contributions

As a member of the Plan, you contribute a percentage of your pensionable earnings through payroll deductions. For permanent employees, deductions commence from date of hire and for non permanent employees from date of membership.

Your annual contribution is calculated as follows:

5.48% of your pensionable earnings up to the Year's Maximum Pensionable Earnings (YMPE) defined under the Canada Pension Plan, plus 6.98% of your pensionable earnings in excess of the YMPE.

(...)

Pension contributions cease on attainment of thirty-five (35) years of pensionable employment.

If you were hired prior to March 14, 1979, you pay an additional percentage of your pensionable earnings to provide for early retirement without reduction.

4.2.2 Contributory Retirement Plan with Possibility of Additional Voluntary Contributions

Provisions concerning contributory financing with the possibility of additional voluntary contributions are part of 117 of the 1,175 current collective agreements, or 10.0 per cent covering 259,000 workers. Of these 117 agreements, 54.7 per cent (108,330 employees) are found in the private sector, while 45.3 per cent (150,670 employees) are from the public sector. It should be noted that the highest proportions of these agreements are found in the manufacturing (26.5 per cent covering 10,500 employees) and education, health and social services (21.4 per cent, or 45,460 employees) sectors.

Excerpts from various collective agreements:

Abitibi-Consolidated—Newfoundland Woodlands and Communications, Energy and Paperworkers Union of Canada, Local 60N, 1999–2003, 0005106.

Appendix "E"—Pension Plan

Effective January 1, 2000, the Company will implement a defined contribution pension plan (also known as a money purchase plan). Participation in the Plan will be mandatory and a condition of employment.

(...)

Contributions

Each employee will contribute 3% of his earnings to the Plan. The Employer will match the employee's contribution.

Each employee can elect to contribute an extra 1%, 2% or 3% of weekly earnings to the Plan. The election for voluntary contribution can only be changed once a year.

(...)

Irving Paper and Communications, Energy and Paperworkers Union of Canada, 2000–2002, 01007405. Excerpt from "The Pension Plan for Hourly Paid Union Employees of Rothesay Paper Limited," L300007.

Section 5

Contributions

5.1 Employee Contributions

(...)

(b) (ii) A member may also elect to contribute an additional sum of money to the Plan under the terms of Section 4.2 to provide additional pension benefits, provided his total contributions do not exceed the maximum that may be deducted from his income under the provisions of the Income Tax Act (Canada).

5. Retirement Plan Management

The plan may be managed by the employer, in a bipartisan manner, by a trustee, or by the union.

5.1 Bipartite

Of the 1,175 current collective agreements identified by the Workplace Information Directorate (2004), 266, or 22.6 per cent representing 580,912 employees, provided for bipartite management of the retirement plan. These agreements were found in the public and private sectors in proportions of 51.5 per cent (317,830 workers) and 48.5 per cent (263,082 workers) respectively. Moreover, 36.5 per cent were from the education, health and social services sector, and 22.6 per cent were from the manufacturing sector.

Excerpts from various collective agreements:

Compagnie Gaspésia Limitée and Communications, Energy and Paperworkers Union of Canada, 1998–2004, 0110106. Excerpt from "Régime de retraite applicable aux syndicats participants d'Abitibi-Price Inc. au Québec," 2-00223.

[Translation]

Section 4 – Plan Management

4.01 Plan Manager

The Retirement Committee is responsible for Retirement Plan and Pension Fund management.

4.02 Retirement Committee Makeup

The Retirement Committee is composed of thirteen (13) members (Members of the Committee) as follows:

a) One (1) member to be designated by active Plan members during the annual general meeting. For the period extending from the Retirement Committee creation date to the date of the first annual general meeting of Plan members, this Committee

Member will be designated by participating unions affiliated with the Confédération des syndicats nationaux and must be a Plan member.

- b) *One (1) member to be designated by inactive Plan members during the annual general meeting. For the period extending from the Retirement Committee creation date to the date of the first annual general meeting of Plan members, this Committee Member will be designated by the Canadian Paperworkers Union and must be a Plan member.*
- c) *One (1) member designated by the Company who is not a Plan member and who is not a person to whom the fund may not grant a loan under the provisions of the Supplemental Pension Plans Act.*
- d) *Three (3) members designated by participating unions in a manner to be determined among themselves. If an agreement is not reached between the participating unions, these Committee Members shall be designated by the Company.*
- e) *Seven (7) members designated by the Company.*

Université de Montréal and Fédération nationale des enseignantes et des enseignants du Québec, 2003-2006, 0752007, excerpt from "Règlement du régime de retraite de l'Université de Montréal," 200109.

[Translation]

Section 3 Management

3.01 Appointment and Makeup of the Retirement Committee

The Plan is managed by a Retirement Committee comprising the following members:

- a) *one person designated by the Senate of the University, in agreement with the Retirement Committee, who is a member*

neither of the Plan nor of the Senate and who is not a person to whom the pension fund may not grant a loan under the provisions of the Act;

- b) *three persons designated by all professors who are active Plan members;*
 - c) *one person designated by all administrative management of professional staff who are active Plan members;*
 - d) *two persons designated by all support staff employees who are active Plan members;*
 - e) *one person designated by all part-time teaching staff who are active Plan members;*
- (...)

5.2 Union

Of the 1,175 current collective agreements, 21 (1.8 per cent covering 48,610 employees) stipulate that retirement plan management be performed by a union.

Excerpts from various collective agreements:

Secteur de transport (1) (U) (U) (U) (U)
Aéroport Montréal-Trudeau (999-2004)
012500

[Translation]

11.02 b) The parties agree that the union is responsible for implementation and administration of the pension plan and that the Company's participation is limited to article 11.02 a).

Construction Estuaire Québec – Athlone and International Maritime Harvey Corp
Employees and Workers Union (U) (U)
0001-2001-2002

Article 20.00 – Pension Trust Fund

20.01 (a) Employers engaged in Commercial / Institutional work bound by this Agreement shall pay the amount indicated in the wage

schedule for all hours worked by employees engaged in the insulation trade into a Pension Trust Fund, solely trustee and administered by the Union.

5.3 Employer

A further 263 of the 1,175 current collective agreements (22.4 per cent covering 841,795 employees) contain provisions stipulating that the employer is responsible for managing the retirement plan. Of these 263 agreements, 66.9 per cent (representing 748,835 employees) are from the public sector. This high percentage is largely due to the fact that 32.3 per cent (367,325 employees) of the 263 agreements were concluded in the education, health and social services sector.

Excerpts from various collective agreements:

Société en commandite T&B Commander Limitée and United Steelworkers of America, 2000-2005, 0222607. Excerpt from "Régime de retraite pour les employés horaires de Matériaux Électriques Commander Inc. à son usine de St-Jean-sur-Richelieu," 240078.

[Translation]

Article 10 – Plan Manager

Manager

10.1 The employer shall be the Plan Manager as defined in the Supplemental Pension Plans Act.

Abitibi-Consolidated - Newfoundland Woodlands and Communications, Energy and Paperworkers Union of Canada, Local 60N, 1999-2003, 0005106. Excerpt from "Pension Plan for Participating Unions of Abitibi-Price Inc." 240210.

Article 4 – Administration of the Plan

*4.01 Establishment of Retirement Board
The Company shall be the administrator of the Plan.
(...)*

5.4 Trustee

Provisions pertaining to retirement plan management by a trustee are found in 157 of the 1,175 collective agreements (13.4 per cent affecting 323,060 employees) listed by Human Resources and Skills Development Canada's Workplace Information Directorate (2004). Of these 157 agreements, fully 60.5 per cent (89,540 workers) are from the private sector.

Excerpts from various collective agreements:

All Extra Foods Stores and United Food and Commercial Workers International Union, 2002-2005, 0434208. Excerpt from "The Canadian Commercial Workers Industry Pension Plan," 990019.

Section 9

Administration

9.01 The Trustees shall be responsible for the administration of the Plan and shall make such rules and regulations as they deem necessary to carry out the provisions of the Plan.

Compagnie minière Québec Cartier and United Steelworkers of America, 2001-2005, 0777205. Excerpt from "Régime de retraite des employés de la Compagnie minière Québec Cartier, Partie 2 – Employés syndiqués," 240006.

[Translation]

Section 14

*Retirement Plan and
Pension Fund Management*

14.1 Retirement Committee: The Plan shall be managed by the Retirement Committee acting as Fund Trustee.

6. When to Retire?

With the varied components of Canada's retirement income system, it becomes interesting to try to establish one's most timely exit from the labour market. The last few years have seen a rise in interest with respect to early retirement, but is it a good option for employees to use, and what are its implications for retirement plans and for society as a whole?

The notion of gradual retirement has grown in popularity over the last few years. As mentioned by Fourzly and Gervais (2002), numerous older employees prefer to progressively reduce their workload rather than abruptly end their careers. Similarly, some workers prefer to push back their retirement date and continue working full-time beyond the normal retirement age, while still others prefer holding down part-time jobs. Phased retirement plans might be an interesting solution to satisfy the various needs of these employees.

6.1 Early Retirement

Early retirement plans are strategies that could encourage the older, better-paid members of an organization's workforce to retire early, allowing for a reduction in operating costs as well as the creation of jobs for younger workers (Dolan et al. 2002).

The benefits for employees are significant. Programs aimed at fostering early retirement may partly compensate older workers for the portion of the benefit they would have been entitled to had they worked to age 65; others provide for a Registered Retirement Savings Plan convertible lump-sum payment; and certain programs offer retirees the possibility of maintaining employee benefits offered by the organization (life insurance, extended medical coverage, etc.).

It must of course be pointed out that early retirement plans also have a downside. Should too many workers be convinced to retire, Canada could find it difficult to financially support its aging population. Moreover, older workers leaving the labour market

would cause a certain loss of skills, skills that younger workers would then have to acquire (Dolan et al. 2002).

Early retirement usually represents a collaborative effort among the different stakeholders, but it has different implications for each one:

- Employers wishing to optimize their investment while minimizing production costs can replace older workers who command higher wages because of their experience and who are generally less educated, less trained, and in poorer health than younger workers.
- For unions, early retirement is a long-standing demand and is well received when it allows an employee to be financially independent.
- Governments must manage three conflicting claims: the viability of the social contract, control over public expenditures, and support for private enterprise. The government encourages early retirement by allowing the use of the social security system.
- Workers hold different views of early retirement. Some are happy to leave their jobs, others prefer to continue working (Dubois and Ntetu 2002).

6.2 Gradual or Phased Retirement

An alternative to early retirement is gradual (or phased retirement). There are, according to Fourzly and Gervais (2002), two approaches to this type of retirement. The first one, called gradual retirement, consists of an option permitting workers to gradually reduce the amount of time spent working in anticipation of complete retirement. This allows employers, among other things, to ensure a smooth transfer of knowledge, to restructure their workforce more efficiently, and to avoid a premature loss of their workforce through the popularity of early retirement (Jalette and Villeneuve 2003). With respect to older employees, this solution may help them progressively adapt to retirement while

ensuring a higher wage level than if they were relying solely on their pension (Fourzly and Gervais 2002).

This gradual reduction may be achieved through a decrease in daily, monthly or annual working time over a period of many years (Jalette and Villeneuve 2003). In fact, Fourzly and Gervais (2002) state that the period prior to retirement during which an older employee can decrease his workload is variable, between one and five years.

The second one, the phased retirement approach, is the possibility of working after the age of retirement. Thus it may be possible for an employee, within certain organizations, to delay his or her retirement date or to hold down a part-time or temporary job after retiring.

Regardless of which approach is selected, it is imperative that all stakeholders understand the repercussions, as well as their own current and future needs.

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Innovative Workplace Practices

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This overview of workplace innovations is based on a review of 62 collective agreement settlements negotiated during the first quarter of 2004. Of these, slightly over one half (34 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 62 settlements reviewed during the quarter, over half (35 collective agreements) had a duration ranging from 30 to 36 months. Four settlements had durations of 12 months. Eight settlements had durations of between 24 and 29 months while five had durations of exactly 48 months. Ten settlements had durations of 60 months or more. The longest agreement (83 months) was negotiated between Brasseries Molson, Montréal, Quebec and International Brotherhood of Teamsters. Two settlements had 72-month durations: West Fraser Mills Ltd., Smithers, British Columbia and Northern Interior Woodworkers Association and Rogers Cable Inc., Toronto, Ontario and Metro Cable TV Maintenance and Service Employees Association.

Compensation

Gain sharing plans appear in several settlements over the period reviewed. The plan between Canadian Pacific Railway, system-wide and United Steelworkers of America is based on specific performance criteria and the employees will share 40 per cent of the productivity gains achieved in 2003, 2004 and 2005, up to a maximum of 5.0 per cent of wages. Any lump-sum amounts generated are included in pension calculations. British Columbia Assessment Authority, province-wide and

Canadian Union of Public Employees negotiated a plan whereby the employee's share realized through improved efficiency will be 50 per cent of any gain in the productivity to a maximum of 5.0 per cent of wages earned in any year. Another plan between Autoliv Electronics Canada Ltd. and International Association of Machinists and Aerospace Workers provides quarterly payments based on an employee's base wage and that plant-wide quality and performance metrics are met on a monthly basis. Payment amounts will be based on hours worked up to 37.5 hours per week, excluding overtime.

Bell Canada, province-wide, Quebec and Ontario, and Canadian Telecommunications Employee's Association have a **sales bonus** plan which recognizes individual and team contribution toward sales and performance objectives. On the basis of the attainment of 100 per cent of the sales objectives, payment will be as follows:

Occupation	Percentage of Base Salary at Target		
	2004 %	2005 %	2006 %
Sales Associate	20	25	30
Sales Representative	43	43	43
Account Executive	51	51	51

Alcan Smelters and Chemicals Ltd., Jonquière and other centres, Quebec and Fédération des syndicats du secteur de l'aluminium inc. have negotiated **market-linked wage reopeners** for the last two years of the collective agreement. The adjustments will be based on aluminium industry weighted average wage rates with a guarantee of 1.0 per cent more

than the highest rate in the industry. Following the survey of 10 major companies, should Alcan's industry position, including the 1.0 per cent guarantee, be more than 3.0 per cent above the general market, employees will receive 50 per cent of the difference in the form of quarterly lump-sum payments. The final year adjustment will also take into account CPI forecasts for the next year, studies of wage projection, wage adjustments in other industry companies and Alcan's financial situation.

An **employee bonus plan** has been established between BC Rail Ltd., province-wide and Canadian Auto Workers. Employees will be entitled to a bonus of 1.0 per cent of basic wages should the net operating income of BC Rail reach \$68,332,000; 2.0 per cent should the net operating income reach \$74,787,780 and 3.0 per cent should the net operating income reach \$81,243,558. Allstream, Canada-wide and Canadian Auto Workers have a **corporate bonus** based on company performance and customer satisfaction. The bonus will provide a maximum of 4.0 per cent of the base rate of pay for each year of the contract. A **performance pay plan** exists between Independent Electricity Market Operator, province-wide, Ontario and Society of Energy Professionals. The plan, based on corporate and line of business results, can generate a minimum payout of 1.0 per cent of base payroll each year of the collective agreement. The overall guaranteed minimum payout will be 2.0 per cent with no maximum amounts. Atomic Energy of Canada Limited, Chalk River and Deep River, Ontario and Office and Professional Employees International Union have also initiated a performance pay plan with annual merit increases as follows:

Multiplier Applied to Step Value						
Level	Meets Most Requirements	Fully Meets Requirements	Exceeds Requirements	Outstanding	Step Value	
7	-	1	1.25	1.5	\$ 700	
8	-	1	1.25	1.5	\$ 800	
9	-	1	1.25	1.5	\$ 900	
10	-	1	1.25	1.5	\$ 1,000	
11	-	1	1.25	1.5	\$ 1,100	

The balance of a merit increase beyond an employee's position range maximum will be paid in a lump-sum payment as a re-earnable merit bonus.

Two agreements contain a provision for a **long service bonus**. The agreement with the City of Toronto, Ontario, and International Association of Fire Fighters contains a **service bonus**. Payments applied across all firefighter ranks are calculated as follows: 6 years of service, \$77 per year; 11 years, \$143 per year; 16 years, \$205 per year; 21 years, \$260 per year; 26 years, \$325 per year and 30 or more years, \$340 per year. Amounts generated will be included as salary in calculating overtime, vacation, statutory holiday pay, pension contributions, sick leave pay, etc. Provincial Health Authorities of Alberta, province-wide and Health Sciences Association of Alberta have established a **long service increment** whereby an equivalent to 3.5 per cent of the current top step will be added as a 9th step of the salary schedule for all professional and technical classifications in Pay Grade 6 and above. To qualify for the increment, eligible employees must have six years of service at the previous top step of their classification.

Working Conditions

The City of New Westminster, British Columbia and Canadian Union of Public Employees have established a **flexible work hours** arrangement for employees in certain classifications who are scheduled to work extended work days in order to attend public sessions or meetings.

Over the review period, many unique leave provisions were negotiated. Air Transat A.T. inc., and

International Association of Machinists and Aerospace Workers, various locations, Canada-wide and outside Canada, have negotiated a new **leave without pay** provision whereby employees willing to take such leave to pre-

vent other employees from being laid off, will continue to accumulate seniority for wage increase and vacation entitlement purposes. The parties have also established a leave of one day **after an off-base posting** lasting 30 consecutive days; two days from between 30 and 60 days; three days from 60 to 90 days and 4 days from 90 to 180 consecutive days. The Government of Canada, Canada-wide and Canadian Association of Professional Employees have negotiated a similar leave provision for **trips on government business**. An employee will receive one day of leave after being away from home for 40 nights per year on government business outside their headquarters area. There will be an additional one day of leave for each additional 20-night period up to a maximum of five days per year.

The Provincial Health Authorities of Alberta, province-wide and Health Sciences Association of Alberta have introduced a special paid leave of up to four days per year if an employee is unable to work due to **unanticipated circumstances of pressing necessity** requiring the employee's personal attention. The City of Toronto, Ontario and International Association of Fire Fighters have established a new **quarantine leave** whereby time lost by an employee as a result of being quarantined by a certified medical practitioner because of a job related incident will be treated as a leave of absence with pay for the duration of the quarantine.

The College Compensation and Appointments Council, province-wide, Ontario and Ontario Public Service Employees Union established a **workplace wellness** task force. In order to maintain a positive workplace, the committee will undertake to investigate components of workplace wellness; identify sources of workplace stressors; assess mechanisms for relieving existing workplace stressors; review colleges' current practices; and gather and analyze information on employee and management concerns.

A new **health spending account** has been established between the Government of Manitoba, province-wide and Manitoba Government and

General Employees' Union. Effective January 1, 2005, the individual account will provide full-time employees reimbursement to a maximum of \$120 per year in supplemental medical expenses and part-time employees to a maximum of \$60 per year; effective January 1, 2006, \$200 and \$100, respectively.

Job Security

Three agreements have negotiated a **plant closure** clause with varied severance packages. Autoliv Electronics Canada Inc., Markham, Ontario and International Association of Machinists and Aerospace Workers offer a **severance** payment in a lump-sum payment equal to three weeks' pay per year of service to a maximum of 65 weeks' pay. Tolko Industries Ltd., The Pas, Manitoba and Communications, Energy and Paperworkers Union of Canada offer lump-sum payments equal to two weeks' pay per year of service to a maximum of 52 weeks. Tower Automotive, Toronto, Ontario and United Steelworkers also provide a severance payment to employees with over five years service of one week's pay per year of service to a maximum of 34 weeks.

The College Compensation and Appointments Council, province-wide, Ontario and Ontario Public Service Employees Union have introduced a **return-to-work program**. Every college will have a policy to support injured and ill employees in returning to work, and will contain the following:

- a statement of commitment that describes how the program will operate, which may include a permanent or ad hoc committee;
- strategies that support the statement of commitment and formal framework within which individual return-to-work cases are managed;
- a description of roles and responsibilities for the various stakeholders involved in the process;

- a process that outlines the steps to be followed in managing individual cases, including a mediation component;
- a communications and training component; and,
- a process for regular reviews of the program.

Overwaitea Food Group, province-wide, British Columbia and United Food and Commercial Workers International Union have negotiated a **job security guarantee** provision. In the event that an existing Overwaitea store is impacted by the opening of a new Overwaitea store in close proximity, the employees will not suffer a reduction of hours, pay or benefits. If an employee is impacted by such a development, the employee may be transferred to another store within an area of 40 kilometres. The guarantee covers Pay Grid A and B employees who have a minimum of four years continuous service, are at the top of their classification and have averaged a minimum of 24 hours work per week for a period of three consecutive months.

Training

Tolko Industries Ltd., The Pas, Manitoba and Communications, Energy and Paperworkers Union of Canada have a provision to cover apprentice **out-of-town training expenses**. On successful completion of the required period of vocational school training, the employer will reimburse expenses to a maximum of two hours' pay per day on a 7-day per week basis at the first year apprentice rate.

Queen's University, Kingston, Ontario and Canadian Union of Public Employees have a **tuition assistance program** for the service and maintenance employees. An amount of up to \$400 per year will be available for work-related courses at a recognized institution other than Queen's. For courses taken at Queen's, the tuition payment will be waived to a maximum value equivalent to five full-credit undergraduate arts and science courses. The university also has a **tuition support plan** with a fund of \$70,000 per year. If the value of eligible

claims is less than the total available, the surplus will carry forward to the next year. If eligible claims exceed the total available, the fund will be reviewed and amounts will be prorated based on the number of claims. Employee's spouses and dependent natural, step, common-law and adopted children under the age of 25 are eligible for tuition support up to \$3,000 per year, per person. This support allowance can be applied to full- or part-time undergraduate, graduate and professional programs offered at any recognized university or college in Canada or the United States.

Labour-Management Committees

During the first quarter of 2004, 13 of the 34 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

The City of Toronto, Ontario and International Association of Fire Fighters have established a committee which will examine the possibilities of moving to a promotional process that focuses on **career development and continuous learning**, while maintaining placement on a list based on seniority within a qualification period. The committee will investigate opportunities for a modular-based qualification and re-qualification process. The parties have also initiated committees concerning substance abuse policies, benefits monitoring, hours of work and staffing reviews.

The British Columbia Assessment Authority, province-wide and Canadian Union of Public Employees have introduced a **productivity** committee to identify improvements in processes and work practices, enhancements in the delivery of services to the public and innovations and improved efficiencies throughout the organization.

Other committees included in collective agreements discuss such items as classification evaluations, job profiles, health and welfare benefits, retiree benefits, pension plan reviews and modified work to accommodate ill or injured employees.

Labour-Management Partnerships Program

*Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada*

The Labour-Management Partnerships Program is a contribution program administered by the Federal Mediation and Conciliation Service. The program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together.

Projects by organizations representing the interests of both labour and management are eligible for funding if they are innovative, help to foster positive labour-management relations, and have the potential to provide results that will be useful for other workplaces. A selection of recent projects involving organizations representing these joint interests is listed below.

Recent Conferences and Research Funded by the Labour-Management Partnerships Program

Enhancing Stakeholders' Knowledge and Skills in Disability Prevention, Detection and Management

organized by the Canadian Institute for the Relief of Pain and Disability

The Labour-Management Partnerships Program provided funding to the Vancouver-based Canadian Institute for the Relief of Pain and Disability (formerly the Physical Medicine Research Foundation) to support a wide-ranging project which included a conference. The Institute is a national non-profit organization which seeks to reduce disability and impairment from soft tissue injuries.

The project included the organization of an international conference entitled: "Symptom, Diagnostic and Disability Validity: Improving Patient Outcomes." This scientific meeting was held September 26-29, 2002 in Markham, Ontario, and was open to those with an interest in improving worker/patient health outcomes. More than 180 people

attended the conference including representatives from labour, management, and the research and health and safety communities.

Conference objectives were to facilitate communication among labour, management and researchers to better identify issues of common interest. They also sought to prioritize research issues and identify common information needs.

The conference was followed by a labour-management focus group which reviewed the conference findings, discussed strengths and weaknesses in current research and identified common research priorities in order to provide better information to organizations that fund research in this area.

The project also included panel discussions; follow-up focus groups in Vancouver, Toronto and Hamilton; a research focus group; two surveys and data collection and analysis.

Information about the Institute can be viewed on their Web site at: <http://www.cirpd.org>.

The Health Care Health & Safety Association of Ontario and Christian Labour Association of Canada (CLAC)

A financial contribution was provided to help fund a joint Labour-Management Conference in Alliston, Ontario, from November 27-28, 2002. About 150 employees from 23 long-term care facilities in Ontario attended the conference jointly sponsored by the Health Care Health & Safety Association and the Christian Labour Association of Canada.

The objective of the conference was to improve communication and problem-solving skills related to the development of return to work plans for injured workers. This was a follow-up to a 1999 conference which focused on the grievance resolution process and improved problem-solving skills for supervisors and union stewards. The conference reviewed the role that a union steward can adopt to increase the success rate of those persons returning to work after an injury. The review included identifying tasks for modified work, communicating program benefits to injured employees and co-workers, and attending return-to-work meetings with the worker.

The conference included a seminar on the "Essential Communication and Problem-Solving Skills in the Workplace." This part of the program utilized role play and tools used in the return-to-work process such as forms, progress reports, and physical demands analysis. This was followed by a discussion, the review and charting of comments, as well as time-staggered surveys.

Results of the surveys showed a wide variation in the understanding of the return-to-work process. As an example, some participants did not know how to use the tools involved in the process. Other participants found the conference role play provided them with useful long-term skills, such as asking open ended questions; using positive body language; and finding shared common ground. The six-month survey confirmed the value of this conference.

***The Canadian Industrial Relations System—Current Challenges and Future Options*, by the Conference Board of Canada**

With the assistance of a six-member advisory committee composed of employer and union representatives, the Conference Board undertook an extensive research project on the industrial relations system in Canada. The project sought answers to the question of "Is there a better way?"

The project included the participation of leaders from the labour movement, business and academia. Components of the project included a literature review, a ten-page survey targeted to almost 400 leaders from management and labour; a day-long

roundtable discussion with about 25 participants; and—based on roundtable results—key informant interviews with another ten individuals from the academic, employer and union sectors.

Study results are contained in a November 2003 report entitled: "The Canadian Industrial Relations System current challenges and future options," which contains recommendations for a renewed Canadian industrial relations system. Information can be found on the Conference Board Web site at <http://www.conferenceboard.ca>.

University of Toronto

A two-day conference on workplace issues in Canada was held in Ottawa on November 14-15, 2002. The objective of the conference was to present and discuss recent research based on results from the Statistics Canada Workplace and Employee Survey. This longitudinal survey focussed on the relationships among competitiveness, innovation, technology use and human resource management on the employer side and technology use, training, job stability and earnings on the employee side.

The organizers worked with an advisory group which helped to formulate the conference program. A two-day authors workshop was also organized before the conference to discuss work in progress and common research issues. The

November conference showcased recent research on issues such as: wage differentials among workers and firms; the determinants of workplace training; firm effects and labour turnover; employment contracts; and productivity.

More than 125 participants attended the conference, from the private sector, unions, government, and universities across the country and from the United States. They discussed fundamental forces in the economy and society that are shaping the future of the Canadian workplace, along with practical implications for labour and management.

Information on the Workplace and Employee Survey can be found at <http://www.statcan.ca/english/survey/business/workplace/workplace.htm>.

International Symposium—"Equity, Efficiency or Ethics?

Corporate Codes of Conduct and the Social Regulation of the Global Firm"

organized by the Inter-University Research Centre on Globalization & Work

(Centre de recherche interuniversitaire sur la mondialisation et le travail) at the HEC Montréal

The Labour-Management Partnerships Program contributed to this symposium held in Montréal, from April 30 to May 2, 2003. Participants from Canada, the United States, Mexico and France who work in the public and private sectors, universities,

companies, unions and non-governmental organizations, met to discuss practical, policy and scientific strategies surrounding codes of conduct and the social regulation of global firms.

Web-site Portal

Quebec Order of certified human resources professionals and industrial relations counsellors /
Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec

The objective of this project is to create a labour-management Web site, via the Web site of the Order. An advisory group, composed of labour and management representatives, labour relations specialists and academics, has been established to suggest and evaluate the documents, links and sources of information to be included in the Web site. The contents of the Portal will enable the

regroupment of a wide range of subjects relating to labour-management relations (database of best practices in labour relations, articles, research projects, guides, manuals and practical tools) which will assist labour relations practitioners in the development of labour-management relations. The site can be viewed at <http://www.portal-rhri.com>.

Upcoming

Threads of Life

Threads of Life is a newly established not-for-profit organization which aims to support families who have been affected by a workplace tragedy such as death or injury. The organization was launched on April 14, 2003 during a Health and Safety Conference sponsored by the Industrial Accident and Prevention Association. Families from across the country shared their experience and took the first steps towards

building a national organization. In addition, employers, unions and government organizations have lent their support to the initiative.

A Family Forum is scheduled for the fall of 2004. More information can be found on the group's Web site at <http://www.threadsoflife.ca>.

Reformulating Industrial Relations

by the Canadian Industrial Relations Association

The Canadian Industrial Relations Association brings together Canadian and foreign researchers, employer/management personnel and representatives from governments and tripartite organizations that specialize in industrial relations and human resources management. This year's conference was held in Winnipeg from June 4-6, 2004, at the University of Manitoba. The theme of "Reformulating Industrial Relations" was handled from two perspectives: as a field of study and as an area of policy and practice. Particular emphasis was being placed on liberal market economies especially Canada and Britain. Over 150 participants attended.

The Association's annual conference is organized within the framework of the annual conference of the Canadian Federation of the Humanities and Social Sciences; and this year, presentations will be also be made to the newly formed *Canadian Alliance for Work and Employment Studies*. The purpose of this group is to coordinate and provide a program listing of all papers of broad relevance to work and employment studies at the Congress regardless of the association under which they are presented. For information please see Canadian Industrial Relations Association Web site at <http://www.cira-acri.ca>.

Onqoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most reports will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation and Canadian Media Guild (CMG)

This project is evaluating a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation Web site at <http://www.cbc.ca>.

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada.

City of Toronto and Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues, including bargaining. The approach will be introduced to line management and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations.

Femmes regroupées en options non-traditionnelles and Société de transport de Montréal and Syndicat du transport et des employés des services d'entretien (CSN)

The objectives of this project are to produce a 25-minute video outlining the myths and realities of women working in predominantly male environments. Supporting training material, including training techniques, is also being developed to ensure that managers and union stewards are fully aware of their responsibilities to women workers in non-traditional occupations.

Visit Femmes regroupées en options non-traditionnelles at <http://www.front.qc.ca>.

Ford of Canada Ltd. and the Canadian Auto Workers' Union

The union and the company have received funding for a film looking at three types of harassment: gender, racial and sexual orientation. Using actors to portray events, the film will recreate harassment incidents, and give direction to victims of harassment and their union representatives and co-workers on how such situations should be handled to further the goal of eliminating harassment in the workplace. A joint steering committee is overseeing the concept, treatment, rough and fine cut reviews and pilot testing. The film will be used as a training tool in CAW-represented workplaces and in other unionized and non-unionized workplaces.

John Forsyth Shirt Company and Ike Behar Inc. and Union of Needletrades, Industrial and Textile Employees

The project aims to prevent and reduce work-related musculoskeletal disorders in the clothing industry by developing and implementing an ergonomics program. The program involves all interested parties—management, workers, union representatives and researchers—who work together as an Ergonomics Change Team. The teams' functions are to assess and prioritize the risky jobs in the plant and to brainstorm, develop and implement solutions. This is the final phase of a project which began in 2001. Project results will be published and widely distributed, via the union's website and newsletter, in an easy-to-read self-help guide developed for employers, health and safety representatives, and workers.

Visit the Union of Needletrades, Industrial and Textile Employees' Web site at <http://www.unite-svti.org>.

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives.

Visit Queen's University Web site at <http://www.queensu.ca>.

University of Calgary

In conjunction with a union-management steering committee, the applicant is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives. Visit the University of Calgary Web site at <http://www.ucalgary.ca>.

Westfair Foods Limited and United Food and Commercial Workers Union, Local 247

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

For more information, contact the Labour-Management Partnerships Program,

Federal Mediation and Conciliation Service

at (819) 994-5470 or 1-800-563-5677 or

visit their Web site at

<http://www.hrsdc.gc.ca>, click on:

- (1) Partnership and Funding,**
- (2) Labour Partnerships.**

COMPASSIONATE CARE BENEFIT

A New Alternative for Family Caregivers

J. Dawe
Labour Program Communications
Human Resources and Skills Development Canada

Among the most difficult challenges a person may face is to have to make decisions about a family members' end-of-life care. It's a challenge currently faced by an ever increasing number of Canadians. And the choices they have often pose significant emotional and financial costs.

Now imagine having the option to spend those final moments together without the stress, guilt and financial burden associated with time off from work—even if that time is days or weeks.

That is the philosophy behind the Government of Canada's new Compassionate Care Benefit.

Introduced in January 2004, the Compassionate Care Benefit provides an alternative for family caregivers who must balance the needs of the family with the need for income and job security.

New provisions under the *Employment Insurance Act* have now made it possible for eligible workers to receive up to six weeks of employment insurance benefits when time off of work is required to care for a spouse or common-law partner, a parent, the spouse or common-law partner of a parent, a child, or a child of the spouse or common-law partner.

Part III of the *Canada Labour Code*, which applies to workplaces under federal jurisdiction, has been amended to provide for eight weeks of compassionate care leave with job protection. These amendments ensure that upon returning to work, the employee will be reinstated in his/her former position or in a comparable position in the same

location with the same wage and benefits.

Many of the provinces have also followed suit with similar amendments to provincial labour codes that allow the same protection for workers in their respective jurisdiction.

The employment insurance benefit under the *Employment Insurance Act* is also flexible and can be shared amongst other eligible family members. For example, a sister and brother may each receive three weeks of benefits when caring for an ailing parent. Caregivers who must travel to be with a loved one are also eligible—even if the travel is outside of Canada.

A medical certificate from the patient's attending doctor or medical practitioner is required indicating that the patient has a serious medical condition with a significant risk of death within 26 weeks. The ensuing leave must then be taken within the 26-week period.

One of the most difficult times anyone can face is when a loved one is dying or at risk of death. The Government of Canada believes that in such times, Canadians should not have to choose between keeping their jobs and caring for their families. The Compassionate Care Benefit will remove some of the stress from that decision.

For more information, consult the Human Resources and Skills Development Canada Web site, at <http://www.hrsdc.gc.ca>.

360-Degree Feedback at PACCAR OF CANADA LTD.

Brigitte Banville and Sylvie St-Onge
HEC Montréal

PACCAR of Canada Ltd.: History and Mission

The PACCAR of Canada Ltd. plant, located in Sainte-Thérèse, Quebec, assembles Kenworth and Peterbilt model trucks, which it ships mainly within North America. The company has a production capacity of 120 trucks per day over three shifts.

In 1907, owner Arthur Sicard invented the snowblower using the same principle as a grain thresher. The Sainte-Thérèse plant was built at the beginning of the 1960s and produced snowblowers under the name Sicard Inc. In 1967, Sicard Inc. was bought by Pacific Car & Foundry and the plant began manufacturing heavy-duty trucks under the Kenworth banner. In 1971, Pacific Car & Foundry became PACCAR Inc. In April 1996, the Sainte-Thérèse PACCAR plant shut down following a nine-month strike and various market and labour relations problems (absenteeism, communications problems, etc.). The old plant was razed to make room for a completely new facility, which reopened in September of 1997. Production commenced under the name PACCAR of Canada Ltd. in August of 1999.

Strategic Management Changes

Today, the plant employs 800 workers. The unionized personnel are represented by Local 728, PACCAR unit, of the Canadian Auto Workers (CAW-Canada). The majority of specialized employees who were working at the plant at the time of its 1996 shutdown were rehired in August of 1999.

At the time of the plant's reopening, a radical shift in management culture and structure was necessary. To this end, board of directors, in cooperation with the union and the plant's old employees, established the vision, mission, values and guiding principles under which management of the new plant would be conducted.

Plant management aims to make the company "the best truck assembly plant in the industry." Their mission is to "assemble the most innovative, high-quality and efficient trucks in terms of operating cost" for their industry. Moreover, within the plant, all employees are considered to be ambassadors of the

— This company received the 2002 IRIS award of the *Ordre des professionnels en ressources humaines du Québec* for its contribution to organizational change.

The authors wish to thank Normand Charron, Director of Human Resources and Organizational Development at PACCAR, for his contribution to this case study. This study has been filed with the Centre de cas des HEC Montréal, in Quebec.

plant and are responsible for promoting the following seven values:

- **Health and safety:** Behaving in a manner that ensures their own safety as well as that of others;
- **Quality:** Working with the aim of producing quality results;
- **Mutual respect:** Adopting an attitude of respect in all their conduct with others;
- **Communication:** Communicating in a manner so as to be understood and responding in a constructive fashion;
- **Teamwork:** Participating in teamwork in an active and constructive way;
- **Continuous improvement:** Continuously striving to improve work methods;
- **Client satisfaction:** Demonstrating involvement in internal and external client satisfaction.

Beyond this strategic thinking, the new plant's opening in 1999 was associated with the implementation of a slimmer organizational structure comprising two levels of management and three production centres (mini-plants): the production team, the support team and the management team. This less hierarchical structure makes it easier to achieve production objectives and improve client satisfaction while holding managers accountable. More precisely, a modular style of work planning and a "just in time" supply system offer the necessary flexibility to produce various models of trucks in order to satisfy the particular needs of clients.

PACCAR's Human Resource Management Strategy is aimed at achieving the plant's operational objectives as well as fostering a culture of employee involvement and continuous improvement.

Personnel management emphasizes accountability, communication, recognition and skills development. As the plant's success rests on the development and performance of its employees, management has decided to adopt a 360-Degree Feedback Process.

Description of the 360-Degree Feedback Process

In 1999, the director of human resources at PACCAR decided to implement a feedback or 360-Degree Feedback Process (also called Multi-Source Feedback) for plant managers and coordinators. This process provides for the collection of information pertaining to an employee in relation to various other individuals (peers, subordinates, superiors, internal or external clients) and for a self-evaluation. At PACCAR, 360-degree evaluations are used strictly for development or skills improvement at the managerial level. The union is not interested in its being used for administrative purposes.

In the beginning, 360-degree feedback was an in-house process. The director of human resources collected the written opinions of various people and met with management to brief them on the results. In 2002, the company hired a firm of industrial psychologists to collect and analyse the feedback and then to meet management and inform them of their evaluations. The consultants' first task was to review the form and content of the comment collection questionnaire to ensure its validity. Since 2003, feedback from the various sources has been collected on a secure Website.

Through this feedback process, assessors are asked to evaluate plant managers and coordinators against eight general factors derived from the guiding principles of management. To arrive at eight factors, or competencies, aligned with PACCAR values, management consulted with employees, the union and managers. In the questionnaire, the questions were not grouped by factor but rather in a manner

aimed at enhancing their validity. Specifically, 49 behaviours aimed at measuring the eight key factors listed below were evaluated:

- Leadership (9 questions);
- Teamwork (6 questions);
- Personal Efficiency (4 questions);
- Continuous Improvement (4 questions);
- Client Satisfaction (5 questions);
- Personnel Mobilization (9 questions);
- Personnel Development (8 questions);
- Integrity (4 questions).

The 360-Degree Feedback Process is conducted annually for all 60 plant executives. Each year, the managers receive, in a fully confidential and anonymous manner, all feedbacks provided by their peers, subordinates, superiors and internal clients. (External clients have not been part of this process.) Each manager also conducts a self-evaluation to compare feedbacks from others with his or her own self-perception.

When evaluating managers, human resources professionals normally choose assessors from within the managers' own teams, and ensure the presence of at least three assessors from each evaluation source (e.g. subordinates, clients) except for immediate superiors. All subordinates and colleagues are required to fill out an assessment form. A human resources professional may ask a manager being evaluated to identify his or her internal clients when they are not easily identifiable. For the human resources, for example, an internal client would be the union.

Assessors provide their evaluations directly on a secure Web site. Only the consulting firm has access to the detailed information contained on this site. Furthermore, numerous precautions are taken

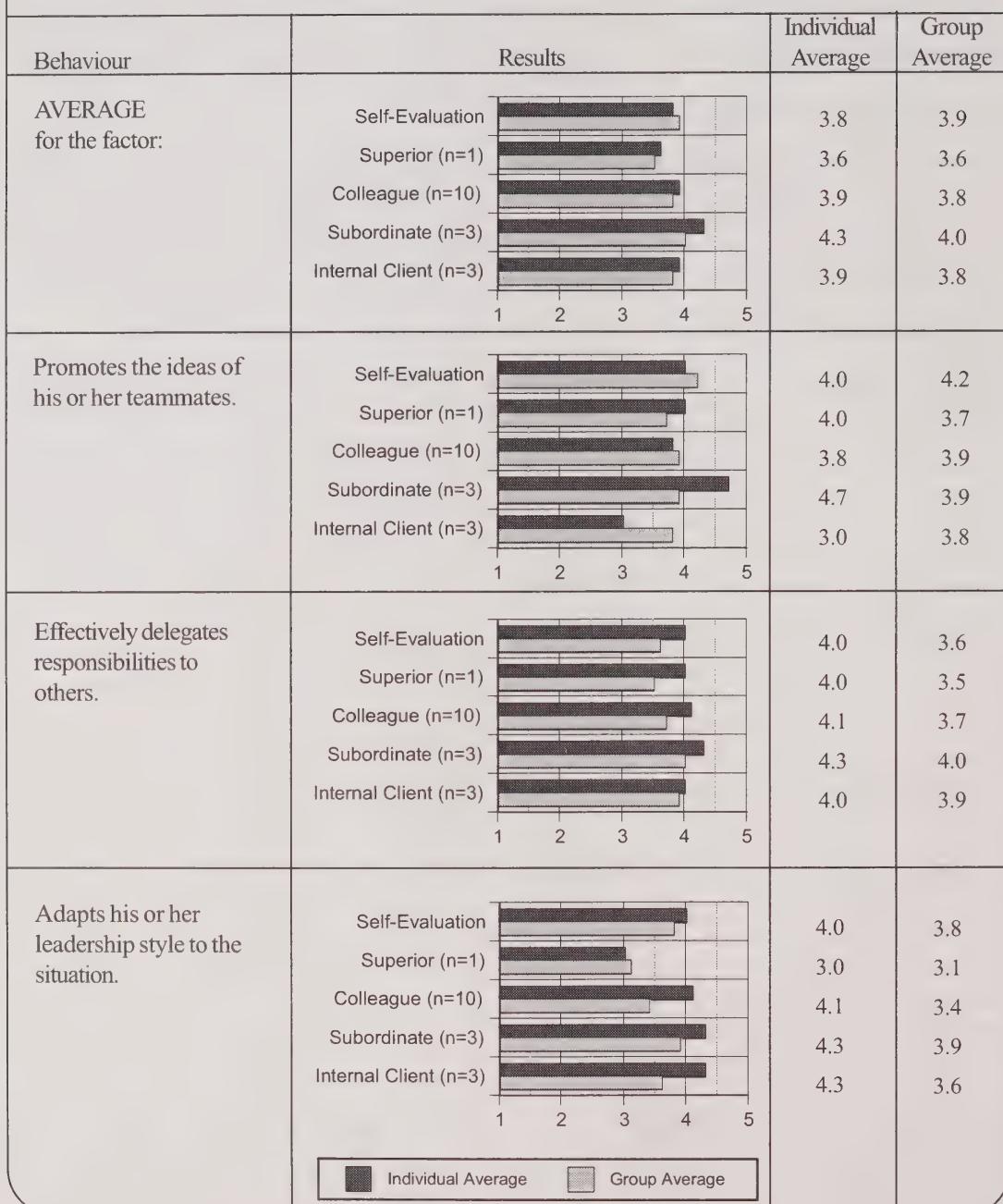
to protect the confidentiality of the evaluations (confidential passwords, transposition of questions, encryption, etc.). Assessors receive an e-mail message asking them to conduct the evaluation of a given manager and they receive a code giving them access to the system so they can fill out the assessment form. The evaluation must then be returned to the consulting firm.

The data collected are statistically analysed by the external consulting firm of industrial psychologists, who prepare a feedback report providing the managers with their average scores against the eight evaluated factors and related behaviours, and stating the number of assessors from each source asked to participate (see Table 1).

A psychologist from the firm also conducts meetings (development sessions) with small groups of evaluated managers to explain their 360-degree feedback reports. These semi-personalized sessions normally involve six managers and last about four hours. The psychologist explains in detail the feedback offered, ensures it is adequately interpreted, and helps managers in developing individual action plans. A development plan (see Table 2) gives the assessed managers a maximum of three or four specific activities to work on in order to improve themselves, with an eye to obtaining a better feedback the following year. For instance, a development objective may simply be to "demonstrate a more proactive client-oriented attitude in order for the average score for this behaviour to be above 4.0 for the next 360-Degree Feedback Process." The scale used in the assessment questionnaire goes from "almost never" (1) to "almost always" (5). It is also possible to answer "not applicable" (6).

The action plan developed for each assessed manager during the 360-Degree Feedback Process is submitted to his or her immediate superior in advance of an annual meeting provided for by the PACCAR Personnel Development Program. The Program is aimed at discussing the various managers' contributions to the success of the plant

Table 1
Example of an Individual Leadership Feedback Report



and at offering them opportunities for skills development. During the year, the managers' direct supervisors must offer regular feedback with respect to the attainment of the objectives set out in the Personnel Development Program.

Efficiency of the 360-Degree Feedback Process

Immediately upon its implementation, PACCAR managers were open to participating in the management evaluation process mainly because it was not used for evaluation purposes, but rather for development purposes. Managers now regularly request feedback with regards to their competencies. It seems that all employees wish to benefit from this feedback process, and those who do not have access to it yet ask for it on a regular basis.

At PACCAR, plant employee performance assessment is currently conducted on a non-official

basis. In accordance with the management culture, managers are encouraged to offer regular informal feedback to employees. They are also asked to quickly address employees inadequate behaviours as they arise. In the future, PACCAR executives wish to implement a simplified version of the 360-Degree Feedback Process with all plant employees.

Managing a 360-Degree Feedback Process requires time and money. Management estimates that each feedback report analysis costs \$125, including all fees related to the feedback process (Internet processing of forms, result analysis and production of individual feedback reports for each manager). However, PACCAR management believes that the benefits justify this expense. Furthermore, a 360-Degree Feedback Process allows for regular communication of management values and the further alignment of manager behaviour and skills with these values. A recent organization-wide

Table 2
Example of an Individual Development Plan

Development Objective	Action Plan	Deadline
Definition: Demonstrate a more proactive client-oriented attitude in order for the average score for this behaviour to be at or above 4.0 for the next 360-Degree Feedback Process.	1. Ask my supervisor what "being proactive" means in a practical sense. Also ask for examples.	As of May 7 th
Personal benefits: <ul style="list-style-type: none">• Better client relations• Better performance evaluation	2. Identify the member of my team known by clients as being the most proactive and ask him or her to coach me.	As of May 7 th
Organizational benefits: <ul style="list-style-type: none">• More satisfied clientele• More significant contribution to team's attainment of objectives	3. Ask my supervisor and my coach to provide feedback on my behaviour as often as possible—at least once every two weeks.	As of May 7 th
	4. Read one of our library's books on client services.	As of May 21 st
	5. Pay more attention to clients and regularly ask them for feedback.	As of May 7 th

survey confirms that, in general, the values and behaviour fostered by PACCAR are known and understood by plant personnel. Such a feedback system also facilitates career management and development for employees.

The 360-Degree Feedback Process allows PACCAR human resources specialists to access general information on management skills and behaviours. The consulting firm provides them with a list of strengths and weaknesses highlighted by manager feedbacks as a whole. Over the year preceding this case study, for example, this information revealed that managers offered too little recognition to employees. Information sessions on the importance of effective recognition, as well as on the forms of recognition that should be favoured, were consequently given to all employees.

According to the human resources director at PACCAR, a successful 360-Degree Feedback Process requires many pre-existing factors. First and foremost, confidentiality and anonymity must be assured through the use of a secure Web site. It is also important to properly train the assessors andeeses. At PACCAR, a four-hour startup training session is given to each manager to explain the importance of development feedback and how to provide it to subordinates. Moreover, it is important to adapt a 360-degree evaluation system to the context of each organization and to avoid using an off-the-shelf system with little or no modification or adaptation.

Workplace Information sur les milieux de travail

Volunteer Work Provisions

Marie-Ève Bédard

Workplace Information Directorate

Labour Program, Human Resources and Skills Development Canada

The ever-increasing demand for volunteers and the small numbers of these resources have prompted governments to call upon organizations to encourage their employees to offer their services.

Volunteers are becoming scarcer. In fact, the *National Survey of Giving, Volunteering and Participating*, conducted in November 1997 and December 2000 by Statistics Canada,¹ indicates that the number of volunteers aged 15 and older dropped from 7.5 million in 1997 to 6.5 million in 2000. With this decline, however, came an upswing in the number of hours contributed by those who do volunteer, from an annual average of 149 hours in 1997 to 162 in 2000.

Of the 6.5 million Canadians participating in volunteer activities in 2000, half were working in either the public or the private sector. Moreover, survey results show that nearly 1.7 million employees volunteering their services benefited from some sort of employer support. This group had an average of 148 hours of volunteer activity per year, or 20 hours more than employed volunteers not benefiting from such support. Employers offer various types of support or encouragement, including making their employees available for volunteer work (57 per cent),

granting leave (57 per cent) or accommodating flexible work schedules in order to facilitate volunteer work (54 per cent).

Employers may profit in several ways from the support they offer. For example, such support promotes a positive public image for their organization and encourages employee retention.

Participating in volunteer activities may also help employees develop new skills, which can improve job effectiveness. And according to Statistics Canada, the percentage of employees who believe that the skills they acquire through volunteer work apply directly to their jobs is higher among those supported by their employer (46 per cent) than those without such assistance (29 per cent).

Employers offer various types of support or encouragement, including making their employees available for volunteer work, granting leave or accommodating flexible work schedules in order to facilitate volunteer work.

Workers report that volunteer work increases their occupational achievement and that fundraising activities, in particular, improve their interpersonal, managerial, technical, communication and organizational skills.

¹ *Perspectives on Labour and Income*, April 2003, online edition.

Clearly, there are benefits to be derived, by employers and employees alike, from employer-promoted volunteer work. In spite of these benefits, provisions of this type are few and far between in labour agreements. What provisions do exist are primarily found in public sector agreements, specifically at the federal government level.

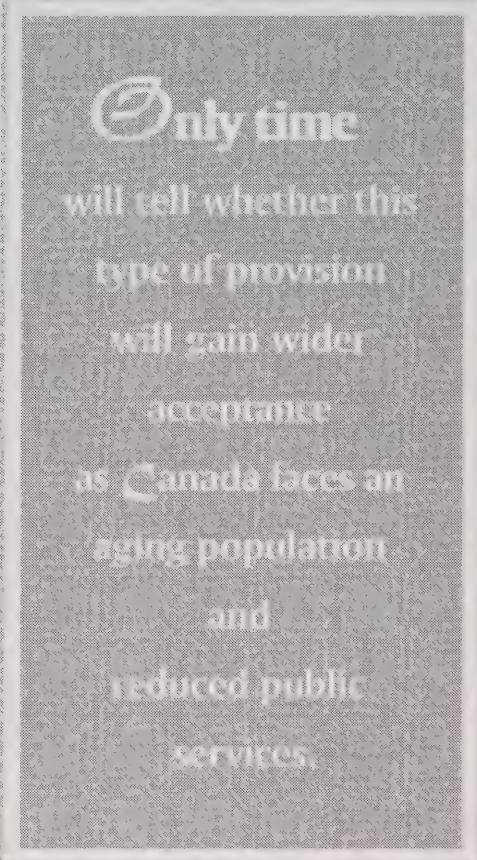
Excerpt from one collective agreement:

Treasury Board and the Public Service
Alliance of Canada - Program and
Administrative Services, 2001-2003, 1196303

VOLUNTEER LEAVE

42.01 Subject to operational requirements as determined by the Employer and with an advance notice of at least five (5) working days, the employee shall be granted, in each fiscal year, one (1) day of leave with pay to work as a volunteer for a charitable or community organization or activity, other than for activities related to the Government of Canada Workplace Charitable Campaign;

The leave will be scheduled at times convenient both to the employee and the Employer. Nevertheless, the Employer shall make every reasonable effort to grant the leave at such times as the employee may request.



Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

Labour Law Analysis

Strategic Policy and International Labour Affairs

Labour Program, Human Resources and Skills Development Canada

Federal: *An Act to amend the Criminal Code (capital markets fraud and evidence-gathering); Bill C-13; Assented to March 29, 2004*¹

Among other amendments to the *Criminal Code*, this bill will create a new general criminal offence aimed at preventing employer reprisals against employees who "blow the whistle" with respect to a violation of any federal or provincial/territorial law.

A new section of the *Criminal Code* (section 425.1) will thus prohibit an employer, a person acting on behalf of an employer, or a person in a position of authority from taking disciplinary action, demoting, terminating or otherwise adversely affecting the employment of an employee, or threatening to do so, with the intent of compelling the employee not to provide information to law enforcement officials concerning an offence committed by the employer (or an officer, employee, or one or more directors of the employer). Retaliating against an employee

who has already provided such information will also constitute an offence. The maximum punishment for anyone found guilty of an offence under section 425.1 will be five years of imprisonment.

These amendments will come into effect on a day to be fixed by Order-in-council.

Alberta: *Employment Standards Amendment Regulation under the Employment Standards Code; Alberta Regulation 28/2004; Alberta Gazette, Part II, March 15, 2004*

The *Employment Standards Amendment Regulation* (the Regulation) applies to the home care² and residential care³ sectors in lieu of the provisions of the *Employment Standards Code* (ESC) regarding hours of work and overtime. On April 1, 2004, this Regulation came into force, replacing a permit system set up for the home care and residential care industries, which had been in place since 1995. The provisions of the new Regulation are very similar to the conditions previously imposed by the permit system.

—Please note that this article is based on labour legislation adopted or proclaimed before June 18, 2004.

¹ An identical bill (Bill C-46) was introduced and passed third reading in the House of Commons during the previous parliamentary session. However, the session was prorogued before the bill could be adopted by the Senate.

² "Home care" means the provision of a health care service, a personal care service or a homemaking service at the clients homes, but does not include heavy housework service, handyman service, the services commonly known as "Meals-on-Wheels" and "Wheels-to-Meals", transportation service, office or administrative services.

³ "Residential care" means the provision of a health care service or a personal care service to residential care clients, but does not include office or administrative services, menu planning or meal preparation, housekeeping, janitorial and maintenance services, or other services not directly related to the personal care and health care of the client.

A caregiver⁴ employed for a 24-hour shift must be paid an amount at least equivalent to the minimum wage for 12 hours when providing home care, and for 24 hours when providing residential care. Also, hours of work exceeding 264 hours in a month are payable as overtime. However, only 12 hours per 24-hour shift are used in the calculation of hours worked for overtime purposes.

When employed for less than a 24-hour shift, a caregiver must be paid an amount at least equivalent to the minimum wage for hours worked. Overtime rates apply to hours worked in excess of 12 hours for each work day in a work month or in excess of 264 hours in a work month, whichever is greater. However, the employer may schedule, during a work day, a designated sleep time period, not exceeding eight hours, which is not counted in the calculation of overtime unless care is provided during those hours.

If a caregiver accompanies a client on a vacation or outing, the caregiver must be paid at least an amount equivalent to what he/she would have been paid for providing home care or residential care at the client's home or residential setting. However, the caregiver and the client may agree to another arrangement with respect to pay.

Finally, a home care worker providing less than two consecutive hours of work, excluding an unpaid meal period of an hour or less, must be paid for two hours at no less than the minimum wage. For that purpose, the hours worked immediately after the meal period are considered to be consecutive to the hours worked before the meal period.

Manitoba: *The Labour Relations Amendment Act; Bill 37 Assented to June 10, 2004*

The *Labour Relations Act* provides that if a collective agreement has expired; a strike or lockout has

continued for at least 60 days; and the employer and the bargaining agent have attempted to conclude a new agreement with the assistance of a conciliation officer or mediator for at least 30 days during the strike or lockout, either party may apply to the Manitoba Labour Board to have a collective agreement settled by the Board or, if the parties agree, by an arbitrator chosen by them. Effective, June 10, 2004, Bill 37 brought the following changes to that process:

- The Manitoba Labour Board must make its initial determination—as to whether the parties are bargaining in good faith and whether an agreement is likely to be concluded within 30 days if they continue bargaining—within 21 days after the Board notifies the parties that it has received an application to settle the provisions of a collective agreement. This does not apply if the Board decides to delay making such a determination until it is satisfied that the party making the application has bargained sufficiently and seriously with respect to the unsettled provisions of a collective agreement.
- The party making the application must be bargaining in good faith in order for the Board or arbitrator to proceed to settle the provisions of a collective agreement.
- If the Board's initial determination is that the applicant is not bargaining in good faith, the applicant may re-apply at a later date for the settlement of the provisions of a collective agreement.
- If a collective agreement is settled more than six months after the last collective agreement expired, the new agreement is to remain in effect for a period of six months following the date of settlement.

⁴ "Caregiver" means an employee who provides home care or residential care.

New Brunswick: *An Act to Amend the Employment Standards Act*; Bill 31; Assented to May 28, 2004

This Act added Remembrance Day (November 11) to the six other public holidays provided for under the *Employment Standards Act* (i.e. New Year's Day, Good Friday, Canada Day, New Brunswick Day, Labour Day and Christmas Day).

This amendment came into force when the Bill received Royal Assent.

Northwest Territories: *Wages Regulations—amendment, under the Labour Standards Act*; R-019-2004; Northwest Territories Gazette, Part II, of February 27, 2004

This regulation repealed section 5 of the *Wages Regulations*, which specified the communities and other places in which prevailed a lower minimum wage rate. This amendment is directly linked to recent changes to the *Labour Standards Act* that eliminated, as of December 28, 2003, "sub-minimum" wage rates based on age and place of employment.

This regulation came into effect on January 28, 2004.

Nova Scotia: *Justice Administration Amendment (2004) Act*; Bill 73; Assented to May 20, 2004

This Act will amend numerous provincial statutes, including the *Labour Standards Code* (LSC).

Complaints to the Labour Standards Tribunal

An amendment will set a six-month time limit for bringing appeals before the Labour Standards Tribunal, calculated from the time a complaint is received or an inquiry is initiated by the Director of Labour Standards.

Vacation Pay

On October 30, 2003, the LSC was amended to provide a third week of annual vacation to employees who have completed more than eight years of service with their employer. However, consequential amendments to vacation pay provisions were not made at that time, which means that vacation pay remained fixed at four percent of wages earned over the 12-month vacation entitlement period, regardless of an employee's length of vacation.

To correct this situation, the LSC will specify that employees who have completed more than eight years of service with the same employer are entitled to an amount of vacation pay equal to at least six per cent of wages.

Coming into Force

These amendments will come into force on proclamation.

Ontario: Amendments to the *Regulation respecting Control of Exposure to Biological or Chemical Agents* under the *Occupational Health and Safety Act*; Ontario Regulation 100/04; Gazetted May 8, 2004

In April 2004, a new system to regularly update exposure limits for workplace hazardous substances was announced by the Ontario government. As well, amendments to the *Regulation respecting Control of Exposure to Biological or Chemical Agents* under the *Occupational Health and Safety Act* have introduced more protective occupational exposure limits (OELs) for four substances (i.e. for manganese (dust and compounds) effective June 30, 2004, and for benzene, carbon monoxide, and 1,3-butadiene effective December 31, 2005). Ontario currently has OELs for more than 700 workplace substances. Under the new system, the

Ministry of Labour will regularly consult on OELs based on new American Conference of Government Industrial Hygienists (ACGIH) recommendations and their relevance to Ontario. Additional updates can be made beyond the ACGIH recommendations based on the best available scientific and medical research.

Prince Edward Island: *Occupational Health and Safety Act*; Bill 39 Assented to May 20, 2004

The passage of this bill has resulted in a rewrite of the previous *Occupational Health and Safety Act*, effective May 20, 2004. The text has been made easier to understand and gender neutral, and a few substantive changes have been made.

The *Act* continues to be administered by the Workers Compensation Board, and the duties of the Board and the Director of Occupational Health and Safety have been clearly defined with some adjustments. Moreover, additional penalties may be imposed when a person is convicted of an offence under the *Act* or the regulations. Among other things, the Court may, having regard to the nature of the offence and the circumstances of the case, order the offender to publish the facts relating to the offence and/or to pay to the Board an amount to be used for the purpose of educating the public on occupational health and safety matters. Such penalties may be required in addition to other penalties that may be imposed by a Court under the *Act* or the regulations, but the combined amount of these penalties may not exceed the maximum amount prescribed in the main section of the *Act* dealing with offences and penalties.

Lastly, the new regulatory powers permit the Board to exempt, with government approval, certain workplaces from the regulations, while allowing coverage under the *Act*.

Quebec: *Regulation to amend the Regulation respecting labour standards under An Act respecting labour standards*; O.C. 327-2004; Quebec Official Gazette, Part II, of April 7, 2004

The *Regulation to amend the Regulation respecting labour standards* will increase the minimum wage to \$7.60 an hour over the next year. A first increase of 15 cents occurred on May 1, 2004 and a second, of the same amount, will take effect on May 1, 2005. The applicable minimum wage for employees earning tips will also increase by 30 cents during that period, rising to \$6.85 an hour on May 1, 2005.

Quebec: *Regulation to Amend the Regulation respecting labour standards under the Act respecting labour standards*; Quebec Official Gazette, Part II, of June 9, 2004

The purpose of this Regulation is to set minimum standards regarding the remuneration of fruit and vegetable pickers who are currently excluded from minimum wage provisions.

Employees assigned to the picking of raspberries, strawberries and apples are thus now entitled to be paid a minimum piece rate, based on the quantity of fruit picked. Employees assigned to the picking of other fruit are entitled to the general minimum wage rate. The applicable amounts are \$0.458 per 250 ml container of raspberries (\$0.467 as of May 1, 2005) and \$0.208 per 551 ml container of strawberries (\$0.212 on May 1, 2005). With respect to apple picking, the amount of remuneration depends on the type of apple tree:

- dwarf apple trees: \$1.11 per bushel (19.05 kilograms), increasing to \$1.13 per bushel on May 1, 2005;
- semi-dwarf apple trees: \$1.36 per bushel, increasing to \$1.39 per bushel on May 1, 2005;
- standard apple trees: \$1.57 per bushel, increasing to \$1.60 on May 1, 2005.

However, an additional provision specifies that an employee is entitled to at least the general minimum wage rate (i.e. \$7.45 per hour) if, "for reasons beyond the employee's control and linked to the state of the field or fruit," he/she cannot receive at least the same amount by using the piece rate to calculate his/her remuneration.

Furthermore, employees assigned mainly to non-mechanized operations relating to the picking of processing vegetables (especially those picking cucumbers for canning) will be entitled to the general minimum wage rate as of January 1, 2006.

These amendments are based on the recommendations of the committee on agricultural workers (Comité sur les travailleurs agricoles), whose report was tabled on December 17, 2003. The Minister of Labour had established this committee following the adoption, in June 2003, of the *Regulation to amend the Regulation respecting labour standards and to revoke the Regulation respecting the notice of collective dismissal*. Its mandate was to develop a permanent wage standard for employees assigned mainly to the non-mechanized picking of fruit and processing vegetables, who are now the only agricultural employees in Quebec not to be covered by the province's minimum wage.

This Regulation came into effect on June 24, 2004.

Quebec: Regulation to amend the Regulation respecting a registration system or the keeping of a register and report transmittal under the Act respecting labour standards; Quebec Official Gazette, Part II, of June 16, 2004

This Regulation, which follows the adoption of the *Regulation respecting labour standards specific to certain sectors of the clothing industry*, revoked sections 1.1 and 3 as well as Schedule I of the *Regulation respecting a registration system or the keeping of a register and report transmittal*. It also modified the title of the Regulation by removing the word "and report transmittal."

As a result, employers in the clothing industry that were previously covered by a decree no longer have to send monthly reports to the labour standards board (Commission des normes du travail). Moreover, the information that they have to keep in a registration system or register regarding each of their employees is the same as for other employers covered by provincial labour standards legislation.

These amendments came into effect on July 1, 2004.

Saskatchewan: Labour Standards Amendment Act, 2004; Bill 50; Assented to June 17, 2004

This Act has modified the Minimum Wage Board's powers and responsibilities and amended provisions regarding leave to care for a seriously ill or seriously injured immediate family member.

Minimum Wage Board

An amendment to the *Labour Standards Act* (LSA) specifies that the Minimum Wage Board must review the provincial minimum wage at least once every two years. In addition, regulation-making powers as regards the setting of minimum wages, the minimum age of employment, maximum wage deductions for room and board and the other matters previously set out under subsection 15(4) of the LSA now rest entirely with the Lieutenant Governor in Council. (Previously, the Lieutenant Governor in Council had the power to approve or reject regulations proposed by the Minimum Wage Board.) The Board's role is to undertake reviews and make recommendations to the Minister of Labour pertaining to any of these matters.

Absences in Case of Serious Illness or Injury of a Family Member

The LSA was already protecting eligible employees (i.e. those who have completed at least 13 consecutive weeks of service with their employer) against dismissal and other types of retaliation if they were absent from work, for up to 12 weeks in a period of 52 weeks, by reason of the serious

illness or injury of a member of their immediate family who is dependent on them.⁵ Immediate family is defined in the LSA as a spouse, parent, grandparent, child, brother or sister of the employee or his/her spouse. A medical certificate attesting to the illness or injury must be provided to the employer, if the latter so requests in writing.

In light of the recent introduction of compassionate care benefits under the federal *Employment Insurance Act*, these provisions have been amended

by extending the period of leave to cover any time during which an employee is receiving compassionate care benefits or serving the applicable waiting period for such benefits.⁶ However, the maximum length of leave in these circumstances is limited to 16 weeks in a period of 52 weeks.

These amendments came into force on June 17, 2004.

⁵ An eligible employee may normally take a shorter period of leave—up to 12 days per calendar year—in the case of an illness or injury that is not serious.

⁶ Under the *Employment Insurance Act*, an employee may receive up to six weeks of compassionate care benefits—after serving a two-week waiting period—to provide care or support to his/her spouse, child, father or mother if this person has a serious medical condition with a significant risk of death within a 26-week period, as attested by a medical certificate. An employee who meets the conditions and requirements of the program may qualify for compassionate care benefits twice within a one-year period (i.e. up to 12 weeks of benefits and two waiting periods totalling four weeks).

*For additional information on recently adopted or proposed changes
to Canadian Labour Laws,
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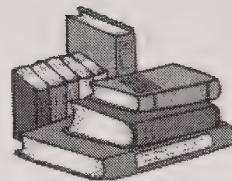
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Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
Departmental Library



Managing Workplace Conflict

Blackard, Kirk and James W. Gibson. **Capitalizing on Conflict: Strategies and Practices for Turning Conflict to Synergy in Organizations: A Manager's Handbook.** Palo Alto, Calif.: Davies-Black, 2002.
HD42 B52

The premise of this book is that conflict within an organization has broad, systemic effects, and that conflict management requires more than simply resolving disputes. Effective management must create an environment that minimizes negative conflict and capitalizes on "positive" conflict such as difference of opinion which may not be counterproductive if managed effectively. Minimizing conflict

involves especially the fostering of a trusting environment and avoidance of policy-driven conflict. Best practices and examples show how to expose suppressed conflict, resolve it, and learn from the experience. Managers are encouraged to empower employees to find ways to resolve conflicts themselves instead of relying on management policies that may not fit every situation.

Collins, Sandra D. **Managing Conflict and Workplace Relationships.** Mason, Ohio: Thomson South-Western, 2005.
HD42 C63

This direct and compact presentation goes beyond the perspective of how to resolve conflict to an examination of why conflict happens and how it operates. An understanding of the nature of workplace conflict and the dynamics of a specific situation are necessary to determine the best way to resolve the problem. The author details a wide range of approaches to working

through workplace conflict, including the collaborative mindset, effective listening and feedback, positive language, negotiation, mediation, and other methods of intervention. Decisive action preserves relationships, reduces unnecessary costs, and allows staff to remain focused on the organization's strategic objectives.

Lubit, Roy H. **Coping with Toxic Managers, Subordinates...and Other Difficult People.** Upper Saddle River, N.J.: FT Prentice Hall, 2004.
HF5548.83 L82

An ability to work effectively with difficult managers will have a significant impact on one's career, and can help senior managers protect their organization from the negative impact of toxic subordinate managers. The better the understanding of specific types of toxic managers, the better one will be able to influence them to behave in ways that enable one to work with them. The key to this ability is the development of emotional intelligence—understanding and coping with one's own feelings and the feelings of others.

The book shows how an individual can enhance his or her emotional intelligence and how to increase the level of emotional intelligence throughout the organization. The author depicts the behaviours and motivations of five types of toxic managers—narcissistic, unethical, aggressive, rigid, and impaired, and suggests ways to more effectively deal with them. The reader will be able to identify his or her own toxic behaviour, realize its impact, and contain it.

Richards, Rebecca A. **Informal Discipline: Problem Employees.** North York, Ont.: CCH Canadian Ltd.; Vancouver, B.C.: CGA Canada, 1999.
HF5549.5 E42 R52

Informal employee discipline is used before formal discipline, unless the problem is very serious. This Canadian "how to" manual details the use of informal discipline to resolve problem behaviour and avoid formal discipline or termination. The nine phases of the procedure are presented using worksheets and example scenarios.

The author explains what causes problem employees and how to monitor and investigate inappropriate employee behaviour. She offers

approaches to a preliminary diagnosis of the problem; developing a strategy for a constructive feedback meeting with the employee; designing an action plan to which both parties agree; and monitoring and reinforcement of the action plan.

Options are explored for repeat offenders and no-win cases.

Scott, Gini Graham. **A Survival Guide for Working with Humans: Dealing with Whiners, Back-Stabbers, Know-It-Alls, and Other Difficult People.** New York, N.Y.: AMACOM, 2004.

HD42 S362

This book, written in a conversational style and based on the author's experience, identifies many of the common types of workplace conflict, offers a choice of practical solutions, and evaluates the effectiveness of options. Personality types

associated with workplace conflict are profiled.

The author approaches a problem as an opportunity and looks for positive aspects of whatever outcome is achieved.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.*
2. *Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY and TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources and
Development Canada

Union Security Provisions

Fifty Years Ago...

Approximately nine out of every ten agreements in the 1954 database contained some provision for union security. The main union objective in bargaining security clauses is to ensure the support of the largest possible number of the employees in the bargaining unit. Since membership support and financial support are important to the union, security has these two main aspects, one related to union membership, the other to the payment of dues. Through collective agreements, many unions endeavour to have the company employ, or retain in employment, only union members throughout the bargaining unit.

In a closed shop, all employees in the bargaining unit must be members of the contracting union and, as a rule, the employer must hire only union members. A union shop agreement requires all employees to become union members. The employer is entirely free to employ non-union workers, but they must join the union within a specified period. A modified form of union shop exempts from compulsory membership all employees who are not union members at the time the agreement comes into force. In a maintenance of membership provision, employees are under no obligation to join the union. However, those who do must, as a condition of continued employment, maintain their union membership throughout the life of the contract. In some agreements there is a type of escape period, usually at the end of the term of the agreement and occasionally at the beginning of the term.

Check-off provisions refer to the deduction of union dues at source. The Rand Formula is derived from a 1945

decision rendered by U.S. Justice Rand, who was the arbitrator in a dispute between the Ford Motor Company and the United Automobile Workers of America. The main principle of this decision was that union dues be deducted from the pay of all employees in the bargaining unit, whether or not they are members of the union. This reduces the "free rider" effect, where employees benefit from the wages and working conditions negotiated on their behalf by the union without having paid union dues. The formula also ensures financial security for the union. The formula includes a stipulation that it shall apply to regular union dues only.

Today

These forms of union security and the use of the Rand Formula still exist in collective agreements. The table shows where differences have occurred in the last 50 years. The Rand Formula has become prevalent—such provisions are now used in 92 per cent of collective agreements, compared with just 15 per cent in 1954. At the same time, union shop provisions are in place in 40 per cent of agreements, up from 13 per cent 50 years ago.

Union Security Provisions

	1954		2004	
	Agreements %	Employees %	Agreements %	Employees %
Closed Shop	12	8	10	10
Union Shop	13	9	40	31
Modified Union Shop	14	11	14	15
Maintenance of Membership	8	12	3	2
Rand Formula	15	15	92	95

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The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

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A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: \$400 (available by e-mail and mail).

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Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

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An Industrial Relations
Quarterly

Volume 7, No. 3

Fall 2004

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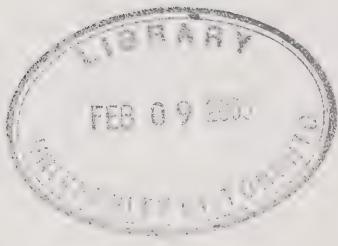
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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Fall 2004 issue includes second quarter data for 2004 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the second quarter 2004 and information on work stoppages for the second quarter of 2004. The collective bargaining results for the first six months of 2004 are presented. The annual union membership in Canada, as reported by major labour organizations, is updated. The impact of selected human resources management practices is highlighted and innovative practices in the workplace resulting from collective bargaining are summarized.

The project list for the Labour-Management Partnerships Program is updated and a comprehensive workplace training package supporting women in non-traditional occupations is described. Jean Charest, from the University of Montréal, reports on workforce sectoral partnerships in Quebec. A national intervention model to promote healthier and safer workplaces in the federal jurisdiction is highlighted.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on succession planning.

Finally, Yesterday and Today looks at mandatory retirement provisions.

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*The content of this publication has been prepared by members of
The Canadian Association of Professional Employees and the Public
Service Alliance of Canada.*

MAJOR WAGE SETTLEMENTS*

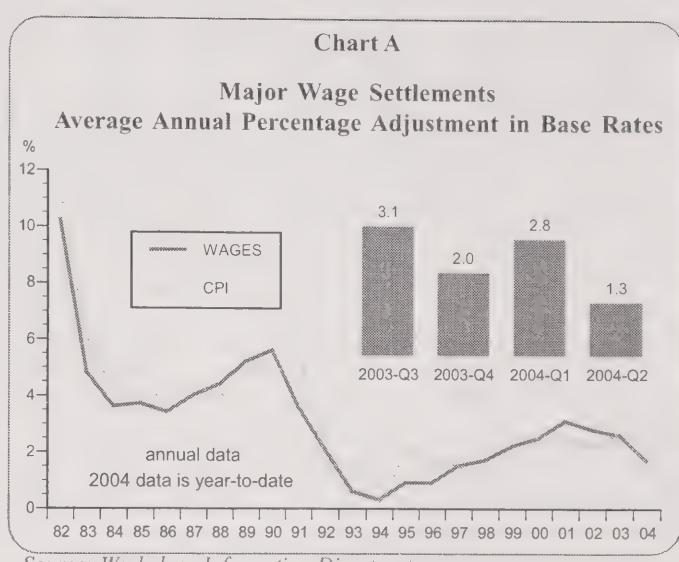
Second Quarter 2004

Summary

Major collective bargaining settlements reached in the second quarter 2004 provided base rate wage increases averaging 1.3 per cent annually over the term of the contracts, down from 2.8 per cent in the previous quarter and the average of 2.6 per cent for the year 2003. The second quarter 2004 results are based on a review of 122 settlements with a coverage of 360,260 employees.

When the parties to these settlements previously negotiated, the resulting wage adjustments averaged 3.0 per cent, higher than in their current settlements. Contract duration in the current settlements averaged 36.9 months, compared to 35.5 months in the previous settlements.

The relatively low wage adjustment was due mainly to a single May 2004 settlement, the B.C. Health Employers Association contract, providing an overall wage reduction of 15 per cent for 43,000 health service employees. The bargaining unit, represented by the B.C. Facilities Subsector Bargaining Association, launched a province-wide strike and returned to work three days after being ordered to do so through passage of the *Health Sector Collective Agreement Act* (Bill 37) in the B.C. provincial legislature. Excluding the B.C. Health Employers Association agreement, the 121 major settlements in the second quarter averaged increases of 2.5 per cent, compared to the 1.3 per cent aggregate figure.



Public and Private Sectors

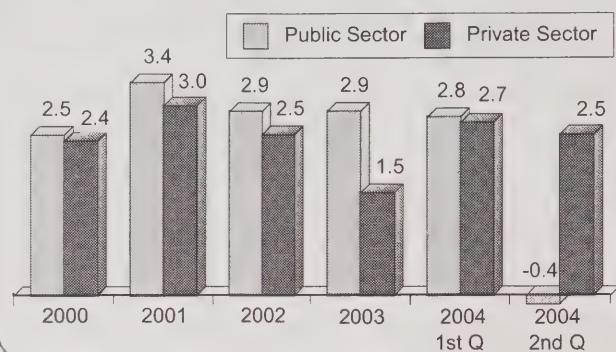
Private-sector wage adjustments averaged **2.5 per cent** for 209,790 employees in 68 agreements. **Public-sector** wage adjustments averaged **-0.4 per cent** for 150,470 employees in 54 agreements.

Excluding the B.C. Health Employers Association agreement, the remaining 53 major settlements in the public sector averaged increases of 2.5 per cent, identical to the private sector figure during the same time period.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Chart B

**Major Wage Settlements by Public/Private Sectors
Average Annual Percentage Adjustment in Base Rates**



Source: Workplace Information Directorate.

Jurisdiction/Region

On a jurisdictional basis, **Nova Scotia** posted the largest average wage gain in the second quarter, at **4.0 per cent**, due in large part to an agreement with the Dalhousie University teaching assistants at 5.7 per cent. The smallest average wage adjustment was recorded in **British Columbia** at **-3.1 per cent**.

In the Federal jurisdiction wage increases averaged 2.4 per cent. Wage adjustments in the Prairie Provinces averaged 2.8 per cent; this figure includes Saskatchewan at 1.4 per cent, Manitoba at 2.7 per cent and Alberta at 2.9 per cent. In the Atlantic, wage increases averaged 1.7 per cent, due in large part to eight public-sector agreements in Newfoundland and Labrador averaging 1.2 per cent; three agreements in Nova Scotia averaged 4.0 per cent, a single agreement in New Brunswick at 2.1 per cent and a single agreement in Prince Edward Island at 2.0 per cent. In Quebec, wage

increases averaged 2.5 per cent for 89,380 employees in 14 agreements, including a large concentration of construction employees in four contracts with increases averaging 2.5 per cent. There were 50 agreements in Ontario providing 101,090 employees with wage increases averaging 2.9 per cent. There were also two Multiprovince agreements providing 3,750 employees with wage gains averaging 2.6 per cent.

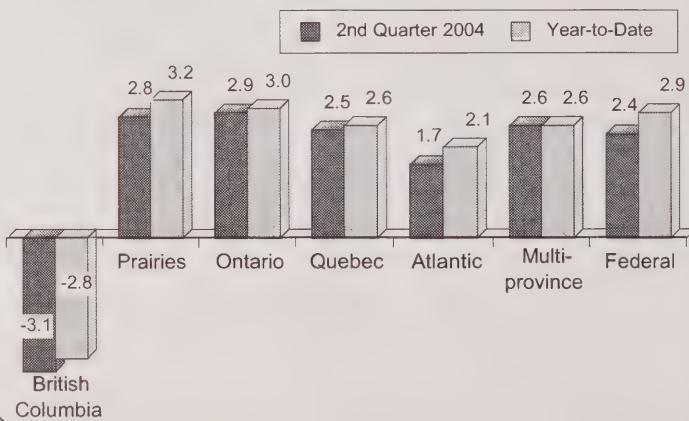
Industry

On an industry basis, average wage adjustments in the second quarter 2004 ranged from a low of **-0.9 per cent** in **education, health and social services**, to a high of **3.6 per cent** in the **utilities** sector which consisted of a single agreement, Nova Scotia Power Inc.

There has been increased settlement activity in the **construction** sector. In the second quarter there were 36 major agreements settled in this industry, providing 162,280 construction workers (the largest concentration of employees) with wage increases averaging **2.7 per cent**.

Chart C

**Major Wage Settlements by Region/Jurisdiction
Average Annual Percentage Adjustment in Base Rates**

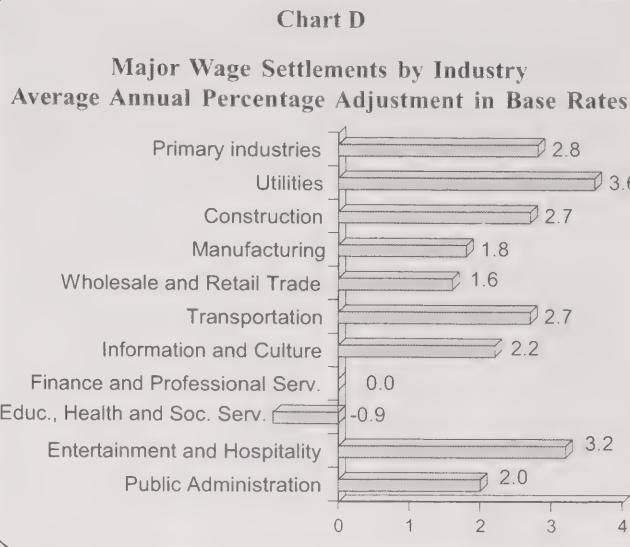


Source: Workplace Information Directorate.

In descending order of magnitude, the remaining industry averages were: **entertainment and hospitality** sector, **3.2 per cent** for 5,150 employees in two agreements; **primary industries**, **2.8 per cent** for 660 employees in a single agreement; **transportation**, **2.7 per cent** for 5,220 employees in seven agreements; **information and culture**, **2.2 per cent** for 1,460 employees in a single agreement; **public administration**, **2.0 per cent** for 19,990 employees in 12 agreements; **manufacturing**, **1.8 per cent** for 27,740 employees in 17 agreements; **trade**, **1.6 per cent** for 10,280 employees in three agreements; and in the **finance and professional services sector**, a wage freeze for 740 employees in a single agreement.

Distribution by Size of Wage Increase

The incidence of wage freezes and wage rollbacks had declined since 1994. In 2003, there was a slight increase in the incidence of wage freezes and wage rollbacks. Air Canada settlements accounted for 10.3 per cent of wage freezes and rollbacks. In 2003, 3.5 per cent of all employees received wage rollbacks in two agreements and 6.8 per cent of employees in eight agreements were subject to a wage freeze. In 2004, year-to-date, 11.3 per cent of employees have received a wage rollback in two agreements and 1.2 per cent of employees in five agreements were subject to a wage freeze.



Source : Workplace Information Directorate.

Distribution of Agreements and Employees by Range of Wage Adjustments

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Less than 0%	1	0.8	43,000	11.9
0% (no increase)	4	3.3	5,130	1.4
Over 0% to 0.9%	2	1.6	1,700	0.5
1.0% to 1.9%	25	20.5	66,170	18.4
2.0% to 2.9%	45	36.9	170,730	47.4
3.0% to 3.9%	33	27.0	61,180	17.0
4.0% to 4.9%	7	5.7	7,780	2.2
5.0% to 5.9%	1	0.8	930	0.3
6.0% to 6.9%	4	3.3	3,640	1.0
ALL LEVELS	122	100.0	360,260	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

In the second quarter 2004, a single B.C. Health Employers Association contract (43,000 employees representing 11.9 per cent of employees in the second quarter's 122 settlements) contained a wage rollback and 5,130 employees, in four settlements (1.4 per cent of employees), were subject to a wage freeze.

For 47.4 per cent of employees in the second quarter 2004, wage increases were in the 2.0 to 2.9 per cent range, compared to 27.3 per cent of employees receiving increases in the same range last year.

At the upper end of the wage adjustment scale, 20.5 per cent of employees received wage increases of 3.0 per cent or more, compared to 49.9 per cent of employees in 2003 settlements.

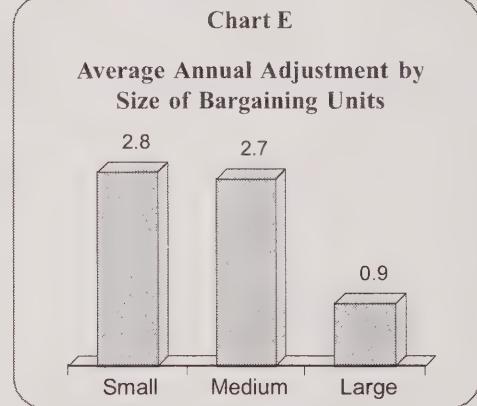
At the lower end of the wage adjustment scale, 18.9 per cent of employees received wage increases of 0.1 per cent to 1.9 per cent, whereas in 2003, 12.5 per cent of employees were in the same range.

Wage Data for the Second Quarter 2004 for Small, Medium and Large Bargaining Units

Among the 160 collective bargaining settlements reached in the second quarter of 2004, 38 settlements were in small bargaining units (between 100 and 499 employees), 88 were in medium bargaining units (500 to 1,999 employees), and 34 were in large bargaining units with 2,000 employees or more.

SMALL bargaining units reported an average increase of **2.8 per cent**. **Public-sector** settlements provided an average increase of **3.0 per cent**, higher than the **private-sector** wage adjustment of **2.6 per cent**. On an industry basis, the **finance and professional services** sector had the highest wage adjustment at **3.6 per cent** while the **wholesale and retail trade** sector reported the lowest increase at **1.3 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.1 per cent** in the **Prairie Provinces** to a low of **1.5 per cent** in **British Columbia**.

MEDIUM bargaining units reported a second quarter average wage increase of **2.7 per cent**. **Public-sector** settlements resulted in an average

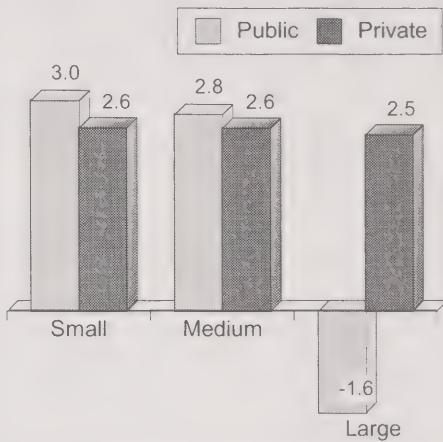


Source: Workplace Information Directorate.

increase of **2.8 per cent**, compared to the **private-sector** figure of **2.6 per cent**. On an industry basis, the **utilities** sector had the highest wage adjustment at **3.6 per cent** while the **wholesale and retail trade** sector reported the lowest increase at **1.6 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.2 per cent** in **Ontario** to a low of **1.1 per cent** in **British Columbia**.

LARGE bargaining units reported a wage increase of **0.9 per cent**. Settlements in the **public sector** provided an average adjustment of **-1.6 per cent** while settlements in the **private sector** resulted in an average increase of **2.5 per cent**. On an industry basis, the **entertainment and hospitality** sector had the highest wage adjustment at **3.4 per cent** while the **education, health and social services** sector reported the lowest adjustment at **-2.1 per cent**. On a regional/jurisdictional basis, average adjustments ranged from a high of **2.9 per cent** in the **Prairie Provinces** to a low of **-3.3 per cent** in **British Columbia**.

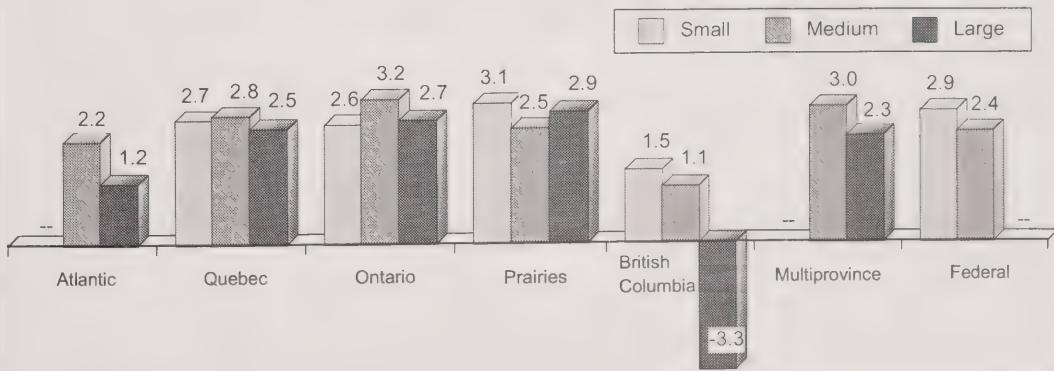
Chart F
Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors



Source: Workplace Information Directorate.

Chart G

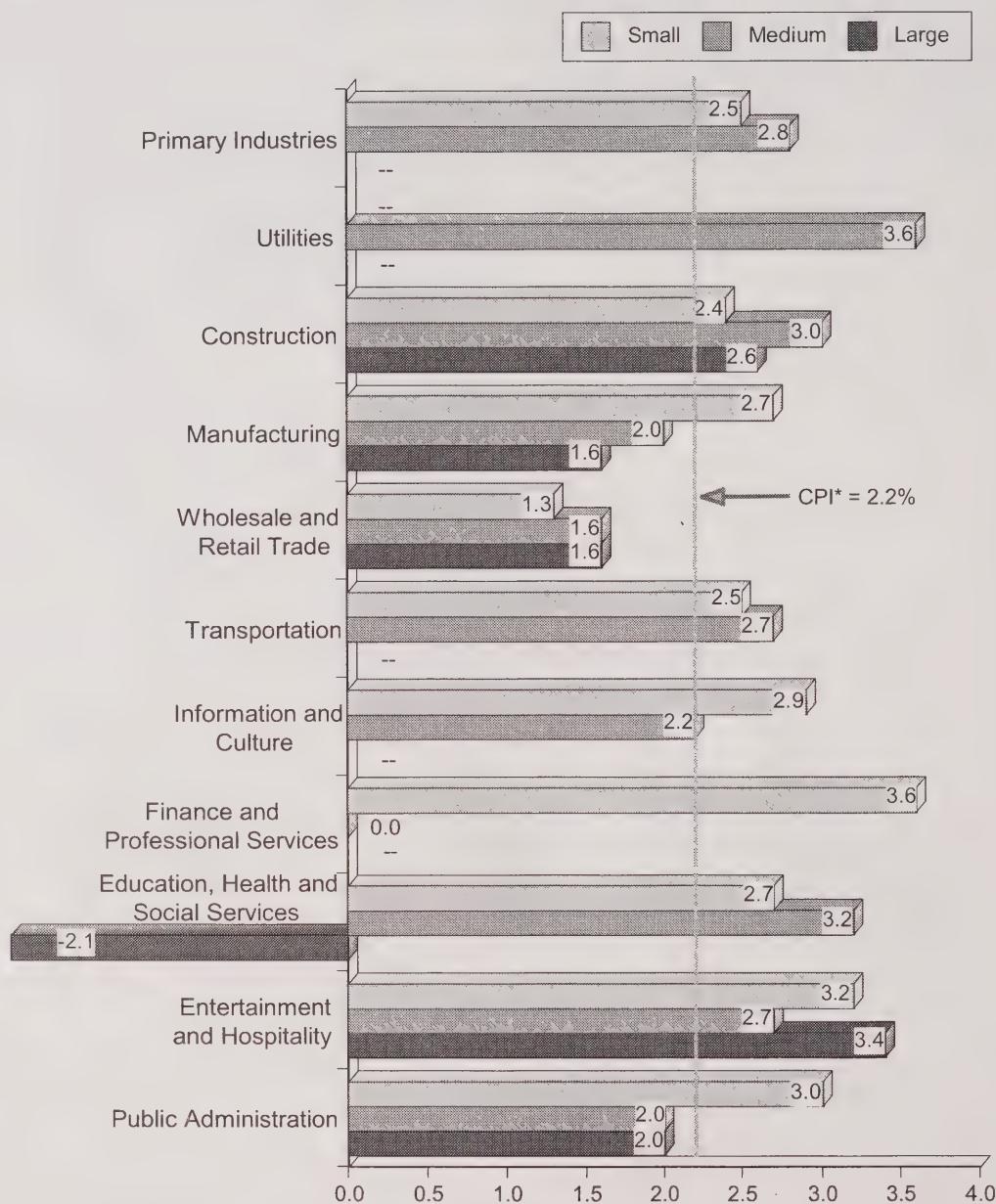
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source: Workplace Information Directorate.

Chart H

**Average Annual Percentage Adjustment by
Size of Bargaining Units, by Industry**



Source: Workplace Information Directorate.

Major Settlements Reached in the Second Quarter 2004

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (1 agreement)	660	2.8	2.7	36.0	
IMC Esterhazy Canada Limited Partnership, mine employees, Esterhazy, Sask.	660	2.8	2.7	36	2007-01-31
Utilities (1 agreement)	900	3.6	5.1	52.0	
Nova Scotia Power Incorporated, utility workers, province-wide, N.S.	900	3.6	5.1	52	2007-07-31
Construction (36 agreements)	162,980	2.7	1.4	36.8	
Architectural Glass and Metal Contractors Association, glaziers, province-wide, Ont.	1,200	2.8	2.8	36	2007-04-30
Association de la construction du Québec, construction trades, province-wide, Que.	39,330	2.5	0.0	36	2007-04-30
Association de la construction du Québec, construction trades, province-wide, Que.	11,380	2.5	0.0	36	2007-04-30
Association des constructeurs de routes et grands travaux du Québec, construction trades, province-wide, Que.	11,190	2.5	0.0	36	2007-04-30
Association of Millwrighting Contractors of Ontario Inc., millwrights, province-wide, Ont.	2,000	3.1	3.0	36	2007-04-30
Association of Provincial Housing Contractors of Quebec, construction trades, province-wide, Que.	18,010	2.5	0.0	36	2007-04-30
Carpenters' Employer Bargaining Agency, carpenters, province-wide, Ont.	12,000	2.9	4.2	36	2007-04-30
Construction Labour Relations Association of Manitoba, carpenters, province-wide, Man.	500	1.7	1.5	36	2007-04-30
Construction Labour Relations-Alberta Association, carpenters, province-wide, Alta.	4,500	2.3	0.0	48	2007-04-30
Construction Labour Relations-Alberta Association, insulation workers, province-wide, Alta.	1,500	2.3	0.0	48	2007-04-30
Construction Labour Relations-Alberta Association, iron workers, province-wide, Alta.	800	2.3	0.0	48	2007-04-30
Construction Labour Relations-Alberta Association, labourers, province-wide, Alta.	3,200	2.5	0.0	48	2007-04-30
Construction Labour Relations-Alberta Association, operating engineers, province-wide, Alta.	600	2.3	0.0	48	2007-04-30
Construction Labour Relations-Alberta Association, sheet metal workers, province-wide, Alta.	500	2.2	0.0	48	2007-04-30
Electrical Contractors Association of Toronto, electricians, Toronto, Ont.	750	4.2	4.2	36	2007-04-30
Greater Toronto Sewer and Watermain Contractors Association, heavy equipment operators, Toronto, Ont.	800	3.2	3.3	36	2007-04-30
Greater Toronto Sewer and Watermain Contractors Association, labourers, Toronto, Ont.	1,000	3.3	3.4	36	2007-04-30

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Construction (continued)					
Independent Plumbing and Heating Contractors Association, plumbers and pipefitters, Toronto, Ont.	720	3.1	3.3	36	2007-04-30
Labourers Employer Bargaining Agency, labourers, province-wide, Ont.	10,000	2.9	3.1	36	2007-04-30
Masonry Contractors Association of Toronto Inc., bricklayers, province-wide, Ont.	3,000	3.5	3.4	36	2007-04-30
Mechanical Contractors Association Ontario, plumbers and pipefitters, province-wide, Ont.	12,000	2.5	2.5	36	2007-04-30
Metropolitan Plumbing and Heating Contractors Association, plumbers and pipefitters, Toronto, Ont.	660	2.7	2.5	36	2007-04-30
Metropolitan Toronto Demolition Contractors Inc., labourers, province-wide, Ont.	600	4.4	4.6	36	2007-04-30
National Elevator and Escalator Association, elevator constructors, province-wide, Ont.	1,200	2.5	2.5	12	2005-04-30
Ontario Concrete & Drain Contractors Association, labourers, Toronto, Ont.	1,000	3.5	3.7	36	2007-04-30
Ontario Erectors Association Inc., iron workers, province-wide, Ont.	4,000	2.7	2.7	36	2007-04-30
Ontario Formwork Association, heavy equipment operators, province-wide, Ont.	1,500	3.3	3.4	36	2007-04-30
Ontario Industrial Roofing Contractors Association, roofers, province-wide, Ont.	1,000	3.5	4.1	36	2007-04-30
Ontario Refrigeration and Air Conditioning Contractors Association, service and maintenance employees, province-wide, Ont.	1,500	2.8	3.6	36	2007-04-30
Ontario Sheet Metal and Air Handling Group, sheet metal workers, province-wide, Ont.	6,000	2.7	2.7	36	2007-04-30
Operating Engineers Employer Bargaining Agency, operating engineers, province-wide, Ont.	3,000	2.7	3.0	36	2007-04-30
Pipe Line Contractors Association of Canada, operating engineers, Canada-wide	2,000	2.3	2.0	48	2007-04-30
Residential Low-Rise Forming Construction Association, labourers, Toronto and area, Ont.	1,500	3.3	3.4	36	2007-04-30
Rodmen Employer Bargaining Agency, rodmen, province-wide, Ont.	1,500	2.8	2.8	36	2007-04-30
Toronto and Area Road Builders Association, labourers, Toronto, Ont.	2,000	3.4	3.5	36	2007-04-30
Toronto Residential Air Handling Group, sheet metal workers, Toronto, Ont.	540	3.2	2.9	36	2007-04-30
Manufacturing (17 agreements)		27,740	1.8	0.5	53.6
Bacon America Inc., production employees, Drummondville, Que.	510	3.0	3.0	36	2007-03-01
Bayer Inc. (Lanxess), plant and maintenance employees, Sarnia, Ont.	500	2.2	0.0	36	2007-01-31

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Manufacturing (continued)					
Bombardier Transport, production employees, La Pocatière, Que.	890	1.9	0.0	48	2007-09-30
Canadian Forest Products Ltd., mill employees, Prince George, B.C.	1,500	1.8	0.0	72	2009-06-30
Conifer (Council on Northern Interior Forest Employment Relations), mill employees, Northern Interior, B.C.	2,500	1.8	0.0	72	2009-06-30
Dana Canada Inc., plant and maintenance employees, Thorold, Ont.	860	1.5*	2.1	36	2007-05-31
Forest Industrial Relations Limited, mill employees, coastal region, B.C.	10,000	1.5	0.0	48	2007-06-14
Gencorp Canada Inc., plant and maintenance employees, Welland, Ont.	700	2.2*	2.2	36	2007-05-31
H.J. Heinz Company of Canada Ltd., plant and maintenance employees, Leamington, Ont.	600	3.3*	2.7	36	2007-04-30
Interior Forest Labour Relations Association, mill employees, Southern Interior, B.C.	5,000	1.8	0.0	72	2009-06-30
Island Fishermen's Co-operative Association Ltd., plant and maintenance employees, Lamèque, N.B.	530	2.1	2.0	42	2006-08-28
Lear Corporation, plant and maintenance employees, Ajax, Ont.	560	2.4*	2.4	36	2007-04-27
Maple Leaf Pork, Division of Maple Leaf Meats Inc., plant and maintenance employees, Burlington, Ont.	1,100	3.1	3.2	36	2007-03-31
Navistar International Corporation Canada, production employees, Chatham, Ont.	650	1.0*	0.8	29	2009-06-30
Nortel Networks, production, technical and maintenance employees, Montréal, Que.	640	0.0*	0.0	36	2007-03-05
Weldwood of Canada Limited, Cariboo Division, mill employees, Quesnel, B.C.	550	1.8	0.0	72	2009-06-30
Weyerhaeuser Saskatchewan Ltd., mill employees, Prince Albert, Sask.	650	2.2	2.5	60	2008-05-31
Wholesale and Retail Trade (3 agreements)					
Great Atlantic & Pacific Company of Canada, Limited (Food Basics), retail employees, province-wide, Ont.	10,280	1.6	1.2	41.4	
Valumart and Independent Grocers, retail employees, province-wide, Ont.	6,300	1.7	1.8	36	2007-01-31
Westfair Foods Ltd., retail employees, province-wide, Man.	880	1.6	1.7	36	2007-01-31
3,100	1.3	0.0	54	2008-09-30	
Transportation (7 agreements)					
Council of Marine Carriers, licensed personnel, coastal region, B.C.	5,220	2.7	2.1	37.0	
Globeground North America, aircraft maintenance employees, Toronto, Ont.	650	3.0	3.0	36	2006-09-30
650	1.2	0.0	30	2006-06-30	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Transportation (continued)					
GO Transit, bus drivers, Toronto, Ont.	910	2.2	0.0	48	2007-06-01
NAV CANADA, electronic technicians, Canada-wide	770	2.7	2.5	60	2005-08-31
NAV CANADA, flight service specialists, Canada-wide	850	3.0	3.0	12	2005-04-30
NAV CANADA, radio operators, Canada-wide	850	4.0	4.0	36	2004-04-30
Saskatchewan Wheat Pool, grain elevator employees, province-wide, Sask.	540	2.3	2.0	36	2006-01-31
Information and Culture (1 agreement)		1,460	2.2	2.5	24.0
Société Radio-Canada, broadcast and television employees, province-wide, Que. and Moncton, N.B.	1,460	2.2	2.5	24	2006-03-28
Finance and Professional Services (1 agreement)		740	0.0	0.0	28.0
Visa Centre, Canadian Imperial Bank of Commerce, office employees, Toronto, Ont.	740	0.0	0.0	28	2006-06-30
Education, Health and Social Services (41 agreements)					
	125,140	-0.9	-3.4	31.5	
Board of Trustees of the Edmonton Catholic Regional Division No. 40, office employees and technicians, Edmonton, Alta.	750	3.5	3.0	24	2004-12-31
Community Social Services Employers Association, health and social care professionals, province-wide, B.C.	6,000	1.0	0.0	36	2006-03-31
Community Social Services Employers Association, health professional employees, province-wide, B.C.	9,000	1.0	0.0	36	2006-03-31
Dalhousie University, teaching assistants, Halifax, N.S.	930	5.7	12.0	36	2006-08-31
Diversicare I Limited Partnership, non-medical employees, Toronto, Ont.	700	3.2	4.3	40	2007-04-30
Extendicare (Canada) Inc., non-medical employees, Scarborough, Ont.	620	3.1	4.1	40	2007-04-30
Extendicare (Canada) Inc., non-medical employees, Scarborough, Ont.	860	3.1	4.1	40	2007-04-30
Government of Newfoundland and Labrador, health professional employees, province-wide, N.L.	590	1.2	0.0	48	2008-03-31
Government of Newfoundland and Labrador, laboratory technicians, province-wide, N.L.	860	1.3	0.0	48	2008-03-31
Government of Newfoundland and Labrador, office employees, province-wide, N.L.	790	1.2	0.0	48	2008-03-31
Government of Newfoundland and Labrador, support employees, province-wide, N.L.	6,580	1.2	0.0	48	2008-03-31
Government of Newfoundland and Labrador, support employees, province-wide, N.L.	2,000	1.2	0.0	48	2008-03-31
Government of Newfoundland and Labrador, teaching assistants, province-wide, N.L.	760	1.2	0.0	48	2008-03-31

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date
Education, Health and Social Services (continued)					
Government of Prince Edward Island, elementary and secondary teachers, province-wide, P.E.I.	1,480	2.0	2.0	36	2007-06-30
Governors of the University of Calgary, lecturers, Calgary, Alta.	2,360	3.3	4.0	36	2007-06-30
Greater Essex County District School Board, elementary teachers, Windsor, Ont.	1,380	3.4	2.0	36	2004-08-31
Halifax Regional School Board, educational services, Halifax, N.S.	640	2.0	2.0	36	2006-07-31
Hamilton-Wentworth District School Board, office employees and technicians, Hamilton, Ont.	500	2.3	3.0	36	2006-08-31
Health Employers Association of British Columbia, non-medical employees, province-wide, B.C.	43,000	-7.6	-15.0	24	2006-03-31
Kawartha Pine Ridge District School Board, elementary teachers, Peterborough, Ont.	1,490	3.5	2.4	36	2004-08-31
Leisureworld Inc., non-medical employees, Toronto, Ont.	1,350	3.2	4.4	40	2007-04-30
Memorial University of Newfoundland, administrative services employees, St. John's, N.L.	850	1.2	0.0	48	2008-03-31
Northern Alberta Institute of Technology, lecturers, Edmonton, Alta.	950	4.0	4.0	36	2007-06-30
Provincial Health Authorities of Alberta, nurses, province-wide, Alta.	22,380	3.2	3.5	36	2006-03-31
Queen's University, professors, Kingston, Ont.	860	3.3	3.3	12	2005-04-30
Red River College, lecturers, Winnipeg, Man.	980	2.7*	3.0	36	2006-06-23
Regional Health Authorities of Manitoba, health and social care professionals, province-wide, Man.	780	4.5	5.0	36	2006-03-31
Regional Municipality of Niagara, non-medical employees, Niagara Region, Ont.	750	3.0	3.0	36	2006-12-31
Saskatchewan Institute of Applied Science and Technology, administrative services employees, province-wide, Sask.	560	0.5	0.0	36	2006-06-30
Saskatchewan Institute of Applied Science and Technology, lecturers, province-wide, Sask.	1,140	0.5	0.0	36	2006-06-30
Toronto Catholic District School Board, custodial employees, Toronto, Ont.	850	6.1	6.1	12	2004-08-31
Toronto Catholic District School Board, educational services, Toronto, Ont.	1,070	6.1	6.1	12	2004-08-31
Toronto Catholic District School Board, office employees, Toronto, Ont.	540	6.1	6.1	12	2004-08-31
Université Laval, professors, Québec, Que.	1,180	6.4	6.4	12	2005-05-31
Université du Québec à Chicoutimi, lecturers, Chicoutimi, Que.	700	4.5	8.7	36	2006-12-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Université du Québec en Outaouais, teaching assistants, Gatineau, Que.	560	3.9	5.5	42	2006-11-30
University of British Columbia, professors, Vancouver, B.C.	2,500	0.0	0.0	24	2006-06-30
University of Manitoba, professors, Winnipeg, Man.	1,150	3.0	3.0	36	2007-03-31
University of Western Ontario, office employees, London, Ont.	1,050	3.0	3.0	24	2006-06-30
Winnipeg School Division No. 1, elementary and secondary teachers, Winnipeg, Man.	3,150	4.0	5.1	24	2005-06-30
Wolf Creek School Division No. 72, elementary and secondary teachers, Ponoka, Alta.	500	2.0	2.0	12	2004-08-31
Entertainment and Hospitality (2 agreements)		5,150	3.2	3.8	44.2
Manitoba Lotteries Corporation, casino employees, Winnipeg, Man.	1,650	2.7*	3.0	36	2006-09-30
Windsor Casino Limited, casino employees, Windsor, Ont.	3,500	3.4	4.2	48	2008-04-03
Public Administration (12 agreements)		19,990	2.0	1.7	45.0
City of Hamilton, inside and outside employees, Hamilton, Ont.	2,200	2.2	2.0	36	2006-12-31
City of Montréal, professional employees, Montréal, Que.	1,240	1.8	2.0	60	2006-12-31
City of Montréal, school crossing guards, Montréal, Que.	650	1.7	2.0	63	2007-08-14
City of Québec, office employees, Québec, Que.	1,700	2.3	2.0	48	2006-12-31
City of Québec, outside employees, Québec, Que.	1,400	2.2	2.0	48	2006-12-31
City of Vancouver, inside employees, Vancouver, B.C.	3,840	2.6*	2.5	48	2006-12-31
Communications Security Establishment, administrative services employees, Ottawa, Ont.	1,000	2.7	3.0	48	2006-02-09
Government of British Columbia, scientific and other professionals, province-wide, B.C.	1,250	0.0	0.0	24	2006-03-31
Government of Canada, ship maintenance, coastal region, B.C.	650	2.2	2.5	36	2006-09-30
Government of Newfoundland and Labrador, general services employees, province-wide, N.L.	3,470	1.2	0.0	48	2008-03-31
Government of Nunavut, office employees and technicians, Iqaluit, Nunavut	1,750	3.0	2.9	42	2006-09-30
Niagara Parks Commission, recreational employees, Niagara Falls, Ont.	840	2.0	1.0	36	2006-10-31
Agreements with COLA (9 agreements)		10,480	2.3*	2.3	40.0
Agreements without COLA (113 agreements)		349,780	1.2	-0.3	36.8
All Agreements (122 agreements)		360,260	1.3	-0.3	36.9

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: *Workplace Information Directorate*.

Workplace Information Directorate Products and Services for You

The Workplace Information Directorate is your source for up-to-date and customized information on industrial relations and collective bargaining. We provide information on:

- trends in negotiated wage agreements, including minimum or job-specific allowances ("XLRAs") and
- collective agreement expiry and renewals
- negotiated benefits and working conditions
- workplace demarcations
- labour regulations and union practices
- workplace communication
- changes to collective agreements of workers
- and much more!

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Table 1
Major Wage Settlements—All Sectors
by Year and Quarter

	<u>Number of Agreements</u>	<u>Number of Employees</u>	<u>Duration in Months</u>	<u>% Wage Adjustment</u>
YEAR				
1985	516	838,620	24.5	3.7
1986	553	1,121,456	25.6	3.4
1987	478	1,111,330	29.9	4.0
1988	542	1,182,742	25.3	4.4
1989	453	1,001,786	29.6	5.2
1990	507	1,146,353	28.4	5.6
1991	547	1,345,643	18.2	3.6
1992	496	1,306,765	24.3	2.1
1993	518	1,412,471	23.9	0.7
1994	434	942,583	28.4	0.3
1995	402	908,803	32.8	0.9
1996	378	810,415	32.6	0.9
1997	379	692,219	33.9	1.5
1998	412	938,310	31.9	1.7
1999	379	828,140	36.0	2.2
2000	406	1,081,030	34.7	2.5
2001	427	988,970	33.4	3.2
2002	362	986,610	29.5	2.8
2003	341	615,380	35.8	2.6
2004*	194	499,560	34.7	1.7
* Year-to-Date				
QUARTER				
2003	I	87	107,550	31.9
	II	129	234,250	33.1
	III	47	136,240	42.3
	IV	78	137,340	37.0
2004	I	72	139,300	28.8
	II	122	360,260	36.9

Table 2
Major Wage Settlements—Public and Private Sectors
by Year and Quarter

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR								
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	302	917,090	33.5	2.5	104	163,940	41.5	2.4
2001	258	692,280	32.0	3.4	169	296,690	36.5	3.0
2002	249	760,060	26.2	2.9	113	226,550	40.6	2.5
2003	247	468,750	33.1	2.9	94	146,630	44.3	1.5
2004*	104	251,100	30.7	0.9	90	248,460	38.6	2.5
* Year-to-Date								
QUARTER								
2003 I	63	81,090	29.0	2.9	24	26,460	40.8	2.3
II	93	172,060	29.8	3.1	36	62,190	42.3	0.8
III	34	121,690	41.7	3.2	13	14,550	47.5	2.3
IV	57	93,910	31.7	2.2	21	43,430	48.3	1.6
2004 I	50	100,630	26.4	2.8	22	38,670	35.2	2.7
II	54	150,470	33.7	-0.3	68	209,790	39.3	2.5

Table 3

Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004			
			3	4	1	
	%	%	%	%	%	
Canada	2.8	2.6	3.1	2.0	2.8	1.3
Atlantic	4.1	3.1	4.2	2.7	3.3	1.7
Newfoundland and Labrador	6.6	3.1	5.0	2.2	-	1.2
Prince Edward Island	4.9	3.2	-	3.0	3.2	2.0
Nova Scotia	2.4	3.3	3.3	2.0	3.3	4.0
New Brunswick	2.7	2.8	-	2.9	3.4	2.1
Quebec	2.1	2.2	1.9	2.3	3.0	2.5
Ontario	3.0	3.3	3.7	2.9	3.1	2.9
Prairies	4.2	2.9	3.5	2.9	3.6	2.8
Manitoba	4.0	2.8	3.8	2.7	3.2	2.7
Saskatchewan	4.0	3.0	3.1	-	-	1.4
Alberta	4.5	3.0	3.3	3.6	3.7	2.9
British Columbia	1.9	1.3	2.5	0.8	-1.1	-3.0
Territories	3.0	2.5	-	2.5	-	3.0
Multiprovince	4.3	2.4	1.8	-	-	2.3
Federal	2.7	2.1	3.1	3.0	3.1	2.4

Table 4

Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004			
			3	4	1	2
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	2.9	2.9	3.2	2.2	2.8	-0.3
Atlantic	4.3	3.2	4.2	2.7	3.8	1.5
Newfoundland and Labrador	7.2	4.5	5.0	-	-	1.2
Prince Edward Island	4.9	3.0	-	3.0	3.2	2.0
Nova Scotia	2.3	3.4	3.3	-	3.9	4.2
New Brunswick	3.0	2.3	-	2.3	-	-
Quebec	2.0	2.1	1.8	2.1	3.1	3.1
Ontario	2.9	3.6	4.0	3.8	3.7	3.4
Prairies	4.8	3.2	3.5	2.9	3.6	3.1
Manitoba	4.6	3.0	3.8	2.7	3.2	3.4
Saskatchewan	4.5	3.4	3.1	-	-	0.5
Alberta	5.2	3.5	3.3	3.6	3.7	3.2
British Columbia	2.2	1.2	2.9	0.5	-1.3	-4.5
Territories	3.0	2.5	-	2.5	-	3.0
Multiprovince	-	-	-	-	-	-
Federal	2.9	3.0	3.2	4.0	3.3	2.4
PRIVATE SECTOR						
Canada	2.5	1.5	2.3	1.6	2.7	2.5
Atlantic	2.7	2.9	-	2.6	2.4	3.1
Newfoundland and Labrador	3.0	2.5	-	2.2	-	-
Prince Edward Island	-	3.6	-	-	-	-
Nova Scotia	4.0	2.7	-	2.0	1.3	3.6
New Brunswick	1.4	3.7	-	3.5	3.4	2.1
Quebec	2.5	2.6	2.7	2.6	2.8	2.5
Ontario	3.2	1.9	2.3	1.3	2.4	2.8
Prairies	1.5	1.4	-	-	4.0	2.1
Manitoba	1.3	0.6	-	-	-	1.3
Saskatchewan	1.6	2.6	-	-	-	2.5
Alberta	1.6	1.6	-	-	4.0	2.3
British Columbia	1.4	1.4	2.0	1.3	4.0	1.7
Territories	-	-	-	-	-	-
Multiprovince	4.3	2.4	1.8	-	-	2.3
Federal	2.4	0.5	2.5	2.7	2.8	2.4

Table 5

**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	2003–2004			
			3	4	1	2
All Industries						
Number of Agreements	362	341	47	78	72	122
Number of Employees	986,610	615,380	136,240	137,340	139,300	360,260
Duration in Months	29.5	35.8	42.3	37.0	28.8	36.9
% Wage Adjustment	2.8	2.6	3.1	2.0	2.8	1.3
Primary Industries						
Number of Agreements	3	2	-	-	3	1
Number of Employees	1,880	1,410	-	-	3,380	660
Duration in Months	36.5	36.0	-	-	36.0	36.0
% Wage Adjustment	2.1	2.7	-	-	3.1	2.8
Utilities						
Number of Agreements	15	13	1	2	4	1
Number of Employees	19,130	25,850	550	3,510	4,580	900
Duration in Months	33.0	33.8	36.0	36.0	16.0	52.0
% Wage Adjustment	2.4	2.4	2.6	2.6	3.2	3.6
Construction						
Number of Agreements	12	5	1	2	2	36
Number of Employees	23,660	3,110	800	1,200	15,200	162,980
Duration in Months	47.4	44.2	48.0	48.0	36.0	36.8
% Wage Adjustment	1.2	2.7	1.8	3.5	2.6	2.7
Manufacturing						
Number of Agreements	50	46	7	8	10	17
Number of Employees	92,530	41,860	7,940	5,830	9,900	27,740
Duration in Months	38.4	41.1	44.2	41.1	32.7	53.6
% Wage Adjustment	3.5	2.4	2.3	2.6	2.3	1.8
Wholesale and Retail Trade						
Number of Agreements	19	15	2	7	1	3
Number of Employees	51,720	47,230	1,350	33,600	950	10,280
Duration in Months	45.2	50.7	60.6	49.4	36.0	41.4
% Wage Adjustment	1.8	1.3	3.1	1.3	2.7	1.6

Table 5 (continued)

**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	3	4	2003–2004	
			3	4	1	2
Transportation						
Number of Agreements	12	25	6	6	4	7
Number of Employees	29,580	112,800	57,080	8,630	14,920	5,220
Duration in Months	31.5	44.0	47.6	40.4	42.8	37.0
% Wage Adjustment	2.4	2.0	2.9	2.5	3.1	2.7
Information and Culture						
Number of Agreements	8	10	1	4	1	1
Number of Employees	23,160	10,590	700	2,770	1,100	1,460
Duration in Months	34.6	39.8	24	39.9	36.0	24.0
% Wage Adjustment	3.0	2.2	3	2.8	2.7	2.2
Finance and Professional Services						
Number of Agreements	8	6	1	2	-	1
Number of Employees	12,560	5,030	1,280	1,250	-	740
Duration in Months	55.2	39.3	24.0	56.2	-	28.0
% Wage Adjustment	2.1	2.5	2.5	3.1	-	0.0
Education, Health and Social Services						
Number of Agreements	167	162	12	27	31	41
Number of Employees	490,620	231,620	24,240	30,420	61,040	125,140
Duration in Months	23.6	26.8	24.8	29.7	27.1	31.5
% Wage Adjustment	3.0	3.4	4.3	3.6	2.4	-0.8
Entertainment and Hospitality						
Number of Agreements	12	8	1	2	-	2
Number of Employees	10,400	7,270	1,240	1,600	-	5,150
Duration in Months	43.6	42.2	48.0	48.0	-	44.2
% Wage Adjustment	2.5	2.6	1.8	2.6	-	3.2
Public Administration						
Number of Agreements	56	49	15	18	16	12
Number of Employees	231,370	128,610	41,060	48,530	28,230	19,990
Duration in Months	30.0	37.0	44.9	30.7	20.5	45.0
% Wage Adjustment	2.6	2.3	3.0	1.2	3.4	2.0

Table 6

**Major Wage Settlements—Public Sector Breakdown
by Year and Quarter**

	2002	2003	2003–2004			
			3	4	1	2
Federal Administration						
Number of Agreements	11	4	3	-	3	2
Number of Employees	54,800	20,650	10,150	-	2,610	1,650
Duration in Months	34.6	33.2	34.5	-	35.0	43.3
% Wage Adjustment	2.9	3.1	3.8	-	3.3	2.5
Federal Crown Corporations						
Number of Agreements	4	7	2	2	-	1
Number of Employees	5,390	60,650	48,700	2,150	-	1,460
Duration in Months	36.3	45.3	47.7	27.1	-	24.0
% Wage Adjustment	2.7	3.0	3.0	3.8	-	2.2
Provincial Administration						
Number of Agreements	24	24	-	14	6	6
Number of Employees	135,570	62,730	-	43,710	14,720	12,460
Duration in Months	27.0	31.4	-	29.8	12.0	42.4
% Wage Adjustment	2.3	1.7	-	1.0	3.5	2.2
Local Administration						
Number of Agreements	31	40	16	10	6	7
Number of Employees	62,230	74,450	38,050	12,900	8,040	11,940
Duration in Months	34.5	43.7	46.8	41.8	34.4	47.9
% Wage Adjustment	3.0	2.7	2.6	2.7	3.3	2.3
Education, Health and Welfare						
Number of Agreements	168	162	12	29	31	38
Number of Employees	490,290	226,640	24,240	31,640	62,950	122,960
Duration in Months	23.7	26.6	24.8	30.2	26.3	31.4
% Wage Adjustment	3.0	3.4	4.3	3.6	2.4	-0.9
Public Utilities						
Number of Agreements	11	10	1	2	4	-
Number of Employees	11,780	23,630	550	3,510	12,310	-
Duration in Months	32.6	35.1	36.0	36.0	36.9	-
% Wage Adjustment	3.1	2.3	2.6	2.6	3.3	-

Table 7

**Selected Economic Indicators
by Year and Quarter**

	2003–2004					
	2002	2003	3	4	1	2
Wage Adjustment (%)						
Ratified Agreements	2.8	2.6	3.1	2.0	2.8	1.3
Public Sector	2.9	2.9	3.2	2.2	2.8	-0.4
Private Sector	2.5	1.5	2.3	1.6	2.7	2.5
Wage Adjustment (%)						
Agreements in Force	3.0	2.7	2.7	2.5	2.4	1.7
Public Sector	3.2	2.8	2.8	2.7	2.5	1.6
Private Sector	2.6	2.4	2.4	2.3	2.2	2.0
† Consumer Price Index						
Percentage Change ¹	2.2	2.8	2.1	1.7	0.9	2.2
† GDP² at Basic Prices³						
Percentage Change ¹	3.4	2.0	1.3	1.9	2.1	3.1
‡ Labour Productivity Growth (%)	1.2	-0.1	-0.2	-0.1	0.2	1.1
‡ Unit Labour Cost (%)	0.5	1.5	1.8	1.2	1.3	1.2
‡ Unemployment Rate³ (%)	7.7	7.6	7.9	7.5	7.4	7.2
‡ Employment³ (000's)	15,412	15,746	15,733	15,875	15,917	15,996
Percentage Change ¹	2.2	2.2	1.5	1.8	1.6	1.9
‡ Average Weekly Earnings³	\$681.81	\$689.60	\$689.71	\$694.11	\$697.55	\$703.08
Percentage Change ¹	2.0	1.2	1.1	1.2	1.7	2.1
‡ Average Hourly Earnings	\$17.09	\$17.20	\$17.22	\$17.40	\$17.56	\$17.81
Percentage Change ¹	1.8	0.7	1.0	2.2	3.0	3.9

¹ Percentage change from the same period of the previous year.

² GDP—Gross domestic product at factor cost (1997) prices.

³ Seasonally adjusted data.

† Statistics Canada.

‡ Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

Collective Bargaining Results

for the First Six Months of 2004

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This document presents the collective bargaining outcomes in Canada from January through June 2004. It provides statistics on major work stoppages as well as wage adjustments from the major settlements (500 or more employees).

Major Work Stoppages

During the first six months of 2004, time not worked caused by the major work stoppages involving 500 employees or more accounted for 1,473,370 person-days, or 0.08 per cent of total estimated work time (eight days per 10 000 days worked).¹

Over the period, the majority of collective agreements (92 per cent) were concluded without a work stoppage. A longitudinal analysis conducted between 1990 and 2003 provided an average 0.05 per cent of time not worked. The results for the first six months of 2004 show a slight increase in the number of person-days not worked. In spite of this increase, results remain similar to those of previous years. The percentage of person-days not worked has been relatively low and stable since 1991 as opposed to the two previous decades (see Chart A).

During the first six months of 2004, there were 17 work stoppages involving 89,276 employees (1,473,370 person-days not worked), compared to 19 major stoppages involving 29,657 employees

(643,970 person-days not worked) during the first six months of 2003. The figures for the first six months of 2004 indicate that the number of person-days not worked has more than doubled.

In terms of person-days not worked, five major work stoppages represented fully 90 per cent of all stoppages, or 1,326,280 person-days not worked. The strike by 43,000 Health Employers Association of British Columbia employees, which lasted a little over two weeks, accounted for 552,850 person-days not worked, or 37.5 per cent of the total.

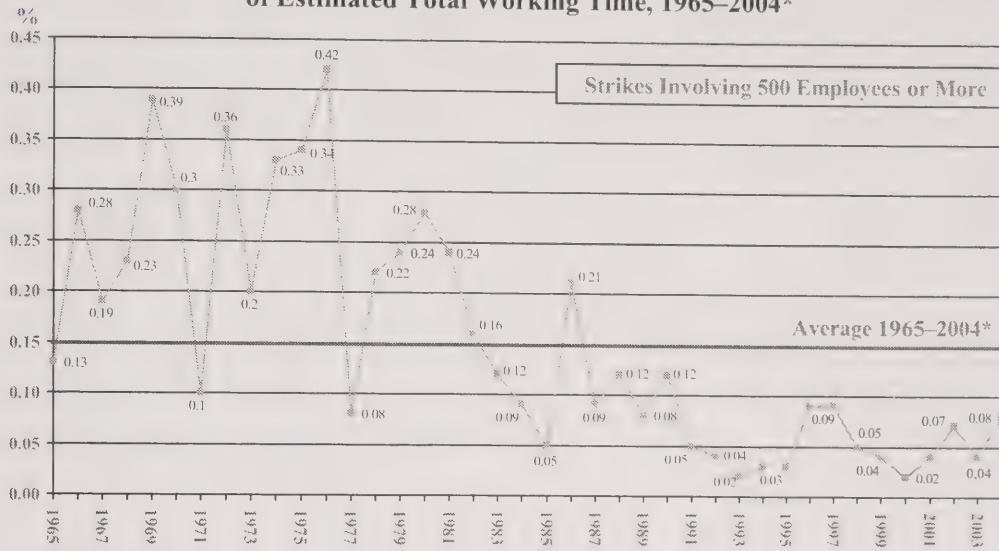
The following are four other work stoppages:

- 18,473 employees from the utilities and the education, health and social services sectors of the Government of Newfoundland and Labrador (335,170 person-days not worked);
- 4,300 communication employees of Aliant Telecom Inc. (210,700 person-days not worked);
- 5,540 shopcraft and office employees of Canadian National Railway (112,380 person-days not worked); and
- 3,500 casino and office employees and security guards of Windsor Casino Limited (95,180 person-days not worked).

¹ The number of person-days not worked, as expressed in percentage of total estimated working time, corresponds to working time not worked because of major work stoppages (500 or more employees) divided by the total estimated working time, or to the number of days not worked per 10,000 days worked.

Chart A

Person-Days Not Worked, as a Percentage of Estimated Total Working Time, 1965–2004*



* January through June.

Source: Workplace Information Directorate.

The private sector recorded eight work stoppages involving 297,910 person-days not worked (20.2 per cent of total) and the public sector recorded nine work stoppages involving 1,175,460 person-days not worked (79.8 per cent of total).

By industry, during the first six months of 2004, the education, health and social services sector accounted for the most work stoppages. Seven work stoppages from this sector resulted in 958,530 person-days not worked (65.1 per cent of total). The information and culture sector followed with a single work stoppage which involved 210,700 person-days not worked (14.3 per cent of total). Finally, the transportation sector ranked third with two major work stoppages accounting for 116,950 person-days not worked (7.9 per cent of total).

With respect to jurisdictions, British Columbia was first overall with two work stoppages which represented fully 557,420 person-days not worked (37.8 per cent of total) during the first six months of 2004. Newfoundland and Labrador followed with

a single work stoppage accounting for 355,170 person-days not worked (24.1 per cent of total). Finally, the federal jurisdiction ranked third with two work stoppages involving 323,080 person-days not worked (21.9 per cent of total).

Wage Adjustments

Wage adjustments for **194 major collective agreements** ratified over the first six months of **2004** averaged **1.7 per cent** annually. The rate of inflation for this same period was **1.5 per cent**. This is the third time over the last four years that the average annual adjustment has been higher than the Consumer Price Index (CPI).

In the **public sector**, half of employees (251,100) covered by 104 agreements received an average annual adjustment of **0.9 per cent**. Within the **private sector**, 248,460 employees covered by 90 agreements obtained average annual adjustments of **2.5 per cent**.

This is the first time in five years that the private sector rate of adjustment is higher than that of the public sector. However, from 1990 to 1999, the private sector recorded adjustments higher than those of the public sector. Furthermore, since 1990 (excluding 2004), the public sector has recorded average annual adjustments lower than the inflation rate seven times while the private sector has lagged five times.

Slightly more than a quarter (26.7 per cent) of employees (66,990) covered by agreements reached in the public sector obtained average annual adjustments equal to or above 3.5 per cent (see Chart B). Within the private sector, 4.0 per cent of employees (9,830 employees) received average annual adjustments equal to or above 3.5 per cent.

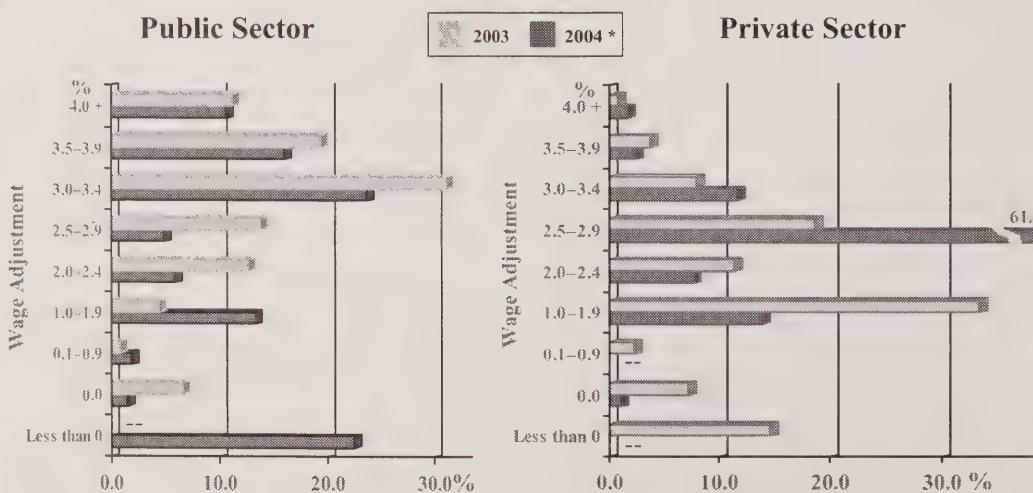
Table 1
Average Annual Percentage Adjustment, 1990–2004*

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004*
Canada	5.6	3.6	2.1	0.7	0.3	0.9	0.9	1.5	1.7	2.2	2.5	3.2	2.8	2.6	1.7
Public Sector	5.6	3.4	2.0	0.6	0.0	0.6	0.5	1.1	1.6	2.0	2.5	3.3	2.9	2.9	0.9
Private Sector	5.7	4.4	2.6	0.8	1.2	1.4	1.7	1.8	1.8	2.7	2.4	3.0	2.6	1.5	2.5
Manufacturing	5.0	3.6	2.1	1.8	2.0	2.3	2.8	2.3	1.5	3.5	2.5	2.5	3.5	2.4	1.9
CPI (per cent change)	4.8	5.6	1.5	1.8	0.2	2.2	1.6	1.6	0.9	1.7	2.7	2.6	2.2	2.8	1.5

* January through June.

Source: Workplace Information Directorate.

Chart B
**Distribution of Employees
by Range of Wage Adjustments in 2003 and 2004***



* January through June.

Source: Workplace Information Directorate.

Over the first six months of the year, 81.2 per cent of private-sector employees (201,720 employees) received average annual adjustments of between 2.0 and 3.4 per cent. Three quarters of them (153,650 employees) obtained average annual adjustments of between 2.5 and 2.9 per cent. In the public sector, 34.2 per cent of employees (86 000 employees) received such adjustments.

During the first six months of 2004, salary freezes affected 6,130 employees, or 1.3 per cent of employees covered by the 194 agreements. In the public sector, 2,500 University of British Columbia professors, and 1,250 British Columbia Government employees were subject to wage freezes. In the private sector, 1,000 Cameco Inc. employees (closure agreement), and 640 employees of Nortel Networks in Quebec were subject to such freezes.

The period extending from January to June 2004 stands out because of the high proportion (22.5 per cent) of British Columbia public sector employees whose salaries were reduced. Also, wage reductions of 15.0 per cent and 4.1 per cent imposed respectively on 43,000 and 13,500 British Columbia health care sector workers greatly influenced the average annual adjustment rate.

Wage Adjustments by Region/Jurisdiction

In terms of the number of employees covered, Ontario and Quebec dominate. Indeed these provinces account for nearly half of employees (49.9 per cent) covered by agreements ratified from January through June 2004. Ontario alone, with a total of 148,310 employees, accounts for 29.7 per cent of employees covered by collective agreements.

In **Ontario**, average annual adjustments were **3.0 per cent**. The private-sector 104,430 employees obtained average adjustments of 2.7 per cent, while 43,880 public-sector employees received average adjustments of 3.6 per cent. In **Quebec**,

Table 2
**Average Annual Wage Adjustment and
Number of Agreements by Region/Jurisdiction,
for the First Half of 2004**

	<u>Number of Agreements</u>	<u>Adjustments</u> %
Atlantic	17	2.1
Newfoundland and Labrador	8	1.2
Prince Edward Island	2	2.4
Nova Scotia	5	3.5
New Brunswick	2	3.0
Quebec	22	2.6
Ontario	76	3.0
Prairie Provinces	43	3.2
Manitoba	11	2.9
Saskatchewan	4	1.4
Alberta	28	3.3
British Columbia	16	-2.8
Nunavut	1	3.0
Multiprovince	1	2.3
Federal	18	2.9
Total	194	1.7

Source: Workplace Information Directorate.

101,160 employees obtained average adjustments of **2.6 per cent**. In the private sector, 86,840 employees received adjustments of 2.5 per cent while 14,320 public-sector employees obtained average adjustments of 3.1 per cent.

For the **Atlantic** provinces, 27,370 employees obtained average annual adjustments of **2.1 per cent**. In the public sector, 23,590 employees received adjustments of 2.0 per cent while 3,780 private-sector employees obtained average adjustments of 2.7 per cent.

A legislated average annual adjustment of **1.2 per cent** imposed on 15,050 **Newfoundland and Labrador** public-sector employees significantly affected the data for the Atlantic provinces. In fact, 54.4 per cent of employees covered by agreements signed in those provinces in 2004 were from the Newfoundland and Labrador public sector.

In **Nova Scotia**, 7,620 employees obtained average annual adjustments of **3.5 per cent**. In this province, 5,570 public-sector employees obtained average annual adjustments of 4.0 per cent, while 2,050 private-sector employees received average adjustments of 2.3 per cent. In **New Brunswick**, 1,730 public-sector employees received average annual adjustments of **3.0 per cent**, and in **Prince Edward Island**, 2,120 public sector employees obtained average adjustments of **2.4 per cent**.

In the **Prairie Provinces**, 90,410 employees obtained average annual adjustments of **3.2 per cent**. The 71,900 public-sector employees obtained a 3.4 per cent adjustment while the 18,510 private-sector employees obtained a 2.4 per cent adjustment.

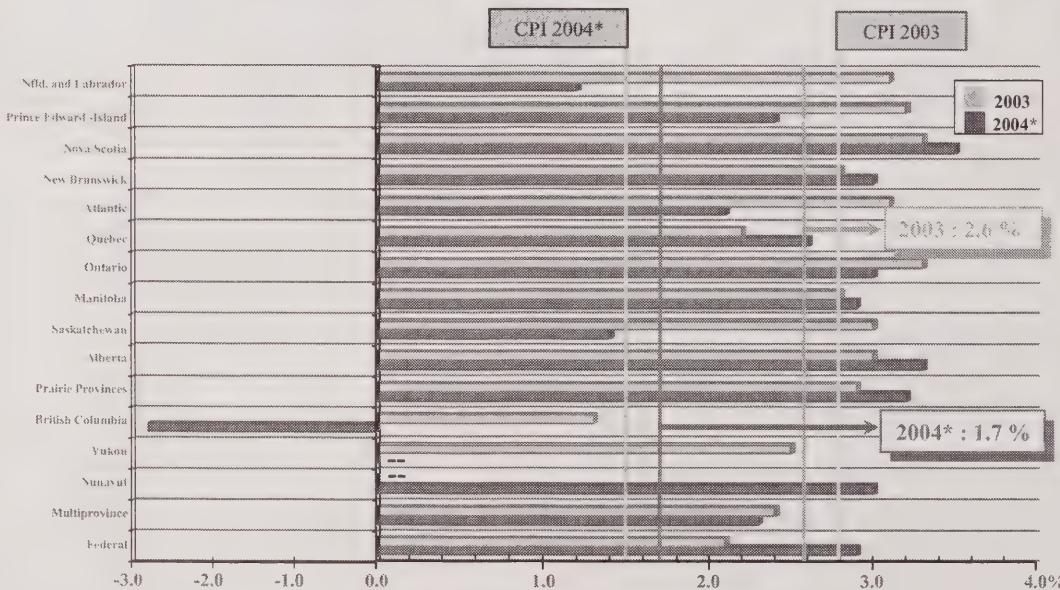
In **Alberta**, 72,350 employees obtained average annual adjustments of **3.3 per cent**. In the public sector, 58,750 employees received a 3.5 per cent

adjustment, while 13,600 private-sector employees obtained a 2.7 per cent adjustment. In **Manitoba**, 15,050 employees received a **2.9 per cent** adjustment. In the public sector, 11,450 employees obtained a 3.3 per cent adjustment, while in the private sector, 3,600 employees received average adjustments of 1.3 per cent.

Finally, in **Saskatchewan**, 3,010 employees covered by four agreements obtained average adjustments of **1.4 per cent**. In the public sector, 1,700 employees received a 0.5 per cent adjustment, and in the private sector, 1,310 employees obtained a 2.5 per cent adjustment.

Over the first six months of 2004, **British Columbia** recorded the lowest average annual adjustment at **-2.8 per cent**, because of wage rollbacks imposed to the 56,500 health sector employees. In the public sector, 81,440 employees

Chart C
**Average Annual Percentage Adjustment
by Region/Jurisdiction, in 2003 and 2004***



* January through June.

Source: Workplace Information Directorate.

received an average annual adjustment of -4.0 per cent, while 20,330 private-sector employees obtained an average adjustment of 1.7 per cent.

Within the **federal** jurisdiction, 26,790 employees obtained average annual adjustments of **2.9 per cent**. In the public sector, 14,220 employees received an average adjustment of 3.1 per cent, while 12,570 private-sector employees obtained an average 2.7 per cent adjustment.

In **Nunavut**, 1,750 public-sector employees obtained an average annual adjustment of **3.0 per cent**, while in the **multiprovince** category, 2,000 private-sector employees received an average annual adjustment of **2.3 per cent**.

Wage Adjustments by Industry

Nearly three quarters (73.0 per cent) of covered employees were found in the education, health and social services and construction sectors.

In the **education, health and social services** sector, strongly influenced by the British Columbia wage rollbacks, 186,180 employees obtained an average annual adjustment of **0.2 per cent**; in the **construction** sector, 178,180 employees received a **2.7 per cent** adjustment.

The **public administration** sector, with 48,220 employees, recorded an average adjustment of **2.8 per cent**, and the **manufacturing** sector, with 37,640 employees, obtained an average adjustment of **1.9 per cent**.

The **transportation** (20,140 employees), and **wholesale and retail trade** (11,230 employees) sectors recorded average annual adjustments of **3.0** and **1.7 per cent** respectively. In the **utilities** sector, 5,480 employees obtained an average annual adjustment of **3.3 per cent**, and in the **entertainment and hospitality** sector, 5,150 employees received an average adjustment of **3.2 per cent**.

Finally, in the **primary industries** sector, 4,040 employees received an average annual adjustment of **3.0 per cent**, and in the **information and culture** sector, 2,560 employees obtained an average adjustment of **2.4 per cent**.

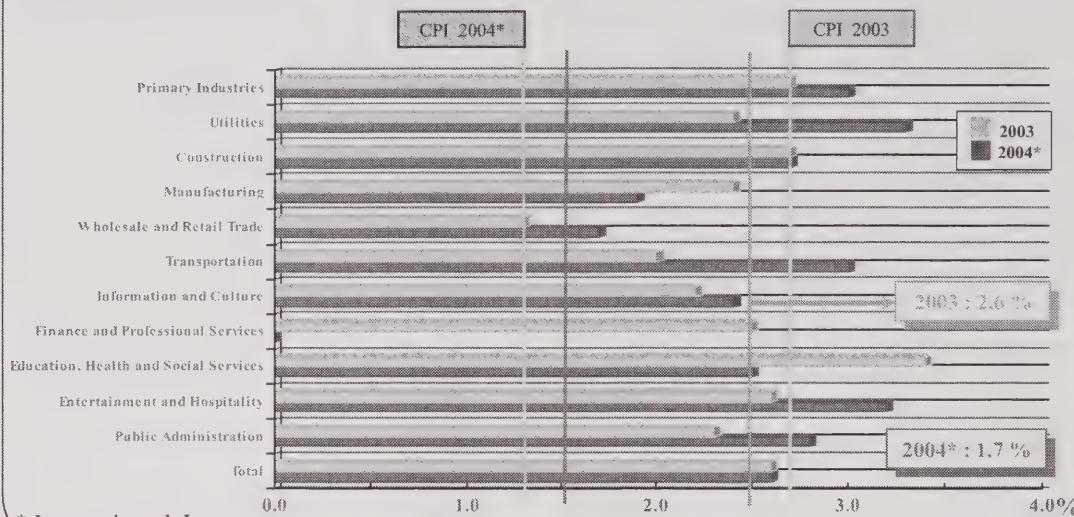
Table 3
Average Annual Wage Adjustment and Number of Agreements, by Industry, for the First Half of 2004

	<u>Number of Agreements</u>	<u>Adjustments</u> %
Primary Industries	4	3.0
Utilities	5	3.3
Construction	38	2.7
Manufacturing	27	1.9
Wholesale and Retail Trade	4	1.7
Transportation	11	3.0
Information and Culture	2	2.4
Finance and Professional Services	1	0.0
Education, Health and Social Services	72	0.2
Entertainment and Hospitality	2	3.2
Public Administration	28	2.8
All Industries	194	1.7

Source: *Workplace Information Directorate*.

Chart D

**Average Annual Percentage Adjustment
by Industry, in 2003 and 2004***



* January through June.

Source: Workplace Information Directorate.

WORK STOPPAGES

Workplace Information Directorate

Labour Program, Human Resources and Skills Development Canada

Second Quarter 2004 (500 or More Employees)

Ten work stoppages, involving 500 or more employees in Canada, resulted in 1,313,900 person-days not worked during the second quarter of 2004.

Three major work stoppages accounted for 85 per cent of the person-days not worked:

- Health Employers Association of British Columbia and various unions involving 43,000 employees, accounted for 552,850 person-days not worked, 42 per cent of the total person-days not worked;

- Government of Newfoundland and Labrador and Newfoundland and Labrador Association of Public and Private Employees involving 18,470 employees, represented 355,170 person-days not worked, 27 per cent of the total;
- Aliant Telecom inc. and Atlantic Communication and Technical Workers' Union and Communications, Energy and Paperworkers Union of Canada involving 4,300 employees, accounted for 210,700 person-days not worked and represented 16 per cent of the total of person-days not worked.

Table 1

Major Work Stoppages—Second Quarter 2004

by Jurisdiction			by Industry				
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	1	18,470	355,170	Primary Industries	-	-	-
Prince Edward Island	-	-	-	Utilities	-	-	-
Nova Scotia	1	930	25,900	Construction	1	2,000	28,000
New Brunswick	-	-	-	Manufacturing	1	1,000	21,430
Quebec	-	-	-	Wholesale and Retail Trade	-	-	-
Ontario	3	6,600	154,860	Transportation	1	800	4,570
Manitoba	-	-	-	Information and Culture	1	4,300	210,700
Saskatchewan	2	1,660	9,850	Finance and Professional Services	-	-	-
Alberta	-	-	-	Education, Health and Social Services	4	45,590	588,600
British Columbia	2	43,800	557,420	Entertainment and Hospitality	1	3,600	105,430
Territories	-	-	-	Public Administration	1	18,470	355,170
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	9	71,460	1,103,200	Total	10	75,760	1,313,900
<i>Canada Labour Code—Part I</i>							
Federal Administration	-	-	-				
Federal Total	1	4,300	210,700				
Total	10	75,760	1,313,900				

Source : Workplace Information Directorate.

Second Quarter 2004 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2
All Work Stoppages
Cumulative to June 30, 2004

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	22	18,536	355,320	Primary Industries	3	1,105	18,570
Prince Edward Island	-	-	-	Utilities	1	52	400
Nova Scotia	4	1,285	31,130	Construction	5	3,135	40,600
New Brunswick	5	470	11,590	Manufacturing	56	6,581	174,319
Quebec	82	10,911	203,469	Wholesale and			
Ontario	55	13,511	254,940	Retail Trade	15	1,847	35,860
Manitoba	4	94	1,750	Transportation,	13	7,011	127,420
Saskatchewan	5	1,801	14,110	Information and Culture	6	4,504	218,110
Alberta	-	-	-	Finance and			
British Columbia	10	44,774	576,510	Professional Services	6	114	9,030
Territories	-	-	-	Education, Health and			
Multiprovince	-	-	-	Social Services	48	65,224	877,780
Total Provinces	187	91,382	1,448,819	Entertainment and			
<i>Canada Labour Code—</i>				Hospitality	28	5,834	175,400
Part I	9	10,256	333,170	Public Administration	15	6,231	104,500
Federal Administration	-	-	-	Various Industries	-	-	-
Federal Total	9	10,256	333,170	Total	196	101,638	1,781,989
Total	196	101,638	1,781,989				

Source : Workplace Information Directorate.

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Web site at

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

All Work Stoppages

Table 3

A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month ¹			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1995	282	328	149,159	1,583,070	0.05
1996	297	330	275,666	3,269,060	0.11
1997	229	284	257,664	3,607,710	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,499	2,198,850	0.07
2002	251	294	167,987	3,033,540	0.09
2003	221	266	79,481	1,736,362	0.05
2004*	159	196	101,638	1,781,989	0.10
<i>* Year-to-date</i>					
2003					
June	23	63	17,560	182,840	0.06
July	17	60	9,326	168,990	0.06
August	15	51	13,596	151,110	0.05
September	22	64	10,179	95,200	0.03
October	16	61	5,393	79,660	0.03
November	17	53	10,638	127,550	0.04
December	9	52	17,052	114,870	0.04
2004					
January	13	50	6,944	46,369	0.02
February	27	62	10,801	98,360	0.03
March	20	65	11,930	131,990	0.05
April	51	88	76,393	696,440	0.24
May	25	70	60,771	601,120	0.20
June	23	72	13,958	207,710	0.07

¹ Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program, Human Resources and Skills Development Canada, covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike

or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establish-

ments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: *Workplace Information Directorate, Labour Program, Human Resources and Skills Development Canada*, May, 2003.

UNION MEMBERSHIP IN CANADA—2004

*Manon Henry, Workplace Information Directorate
Labour Program, Human Resources and Skills Development Canada*

Each year, the department carries out a survey of labour organizations in Canada with international and national unions either affiliated or unaffiliated to a central labour congress and having one or more members and labour organizations consisting of a single bargaining unit and having more than 50 members, but non affiliated with any other labour organizations.

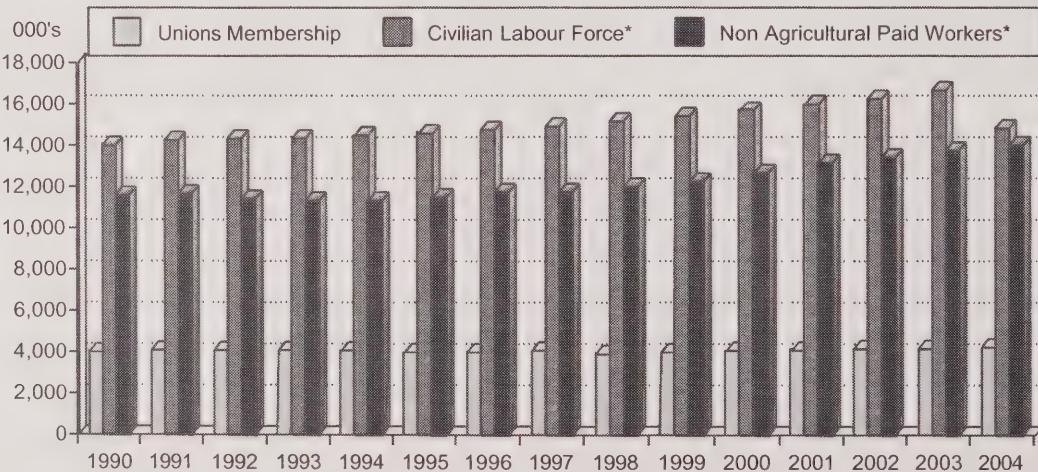
Preliminary data indicate that union membership in January 2004 stood at 4,261,000. This figure represents an increase of 83,000 members above the 2003 figure of 4,178,000 members (see Graph and Table 1). However, over the year 2003, non agricultural paid employment rose more rapidly by 298,000.

Consequently, the unionization rate or union density (union membership as a percentage of non-agricultural paid employment) remained at 30.4 per cent.

The affiliated membership of the Canadian Labour Congress increased by 89,000 from 3,031,705 in 2003 to 3,121 010 in 2004 and its share of total union membership increased from 72.6 per cent in 2003 to 73.2 per cent in 2004.

Between 2003 and 2004, the unaffiliated national unions decreased from 11.7 per cent to 11.4 per cent, which represented a reduction of approximately 2,470 members.

**Union Membership, Non-Agricultural Paid Workers and the Civilian Labour Force
1990–2004**



* Statistics Canada, *The Labour Force Survey*, Labour Statistics Division.

Source: Workplace Information Directorate.

Table 1
Union Membership in Canada, 1990–2004

Note: Labour force and non agricultural paid employment data shown for each year are annual averages of the preceding year; data shown for union membership are *as of January* of the years shown and as reported by labour organizations.

Year	Union Membership 000's	Civilian Labour Force ¹ 000's	Non Agricultural Paid Workers 000's	Union Membership as a Percentage of Civilian Labour Force %	Union Membership as a Percentage of Non Agricultural Paid Workers %
1990	4,031	14,047	11,598	28.7	34.8
1991	4,068	14,241	11,679	28.6	34.8
1992	4,089	14,330	11,414	28.5	35.8
1993	4,071	14,362	11,303	28.3	36.0
1994	4,078	14,505	11,310	28.1	36.1
1995	4,003	14,627	11,526	27.4	34.7
1996	4,033	14,750	11,764	27.3	34.3
1997	4,074	14,900	11,802	27.3	34.5
1998	3,938	15,153	12,031	26.0	32.7
1999	4,010	15,418	12,295	26.0	32.6
2000	4,058	15,721	12,707	25.8	31.9
2001	4,111	15,999	13,146	25.7	31.3
2002	4,174	16,242	13,414	25.7	31.1
2003	4,178	16,690	13,737	25.0	30.4
2004	4,261	14,881	14,035	28.6	30.4

¹ Statistics Canada, *The Labour Force Survey*, Labour Statistics Division.

Source: Workplace Information Directorate.

Table 2
Unions with Largest Membership, 2003–2004

	Membership in 000's	
	2003	2004
Canadian Union of Public Employees - CLC	522	535
National Union of Public and General Employees - CLC	325	337
National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) - CLC	268	260
United Food and Commercial Workers International Union - AFL-CIO/CLC	220	188
United Steelworkers of America - AFL-CIO/CLC	180	180
Public Service Alliance of Canada - CLC	150	153
Communications, Energy and Paperworkers Union of Canada - CLC	150	150
International Brotherhood of Teamsters - AFL-CIO/CLC	110	110
Fédération de la santé et des services sociaux - CSN	101	101
Laborers' International Union of North America - AFL-CIO/CLC	80	85
Service Employees International Union - AFL-CIO/CLC	78	84
Fédération des syndicats de l'enseignement - CEQ	81	81
Elementary Teachers' Federation of Ontario - CLC	63	65
International Brotherhood of Electrical Workers - AFL-CIO/CLC	55	55
Industrial Wood and Allied Workers of Canada - CLC	55	55
Canadian Union of Postal Workers - CLC	50	54
Ontario Secondary School Teachers' Federation - CLC	50	53
United Brotherhood of Carpenters and Joiners of America - AFL-CIO/CLC	52	52
Ontario Nurses' Association - CLC	48	48
Professional Institute of the Public Service of Canada - Ind.	38	48
British Columbia Teachers' Federation - Ind.	46	50
Fédération des infirmières et infirmiers du Québec - Ind.	45	50
Syndicat de la fonction publique du Québec - Ind.	43	43
Fédération des employées et employés de services publics inc. - CSN	40	42
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada - AFL-CIO/CLC	40	41
International Association of Machinists and Aerospace Workers - AFL-CIO/CLC	42	39
International Union of Operating Engineers - AFL-CIO/CLC	36	36
Fédération du commerce inc. - CSN	40	35
Ontario English Catholic Teachers' Association - CLC	34	35
Office and Professional Employees International Union - AFL-CIO/CLC	32	35
Alberta Teachers' Association - Ind.	35	32
Hotel Employees and Restaurants Employees International Union - AFL-CIO/CLC	30	30

Source: Workplace Information Directorate.

Table 3
Union Membership by Congress Affiliation, 2003–2004

Congress Affiliation	2003		2004	
	Membership	%	Membership	%
CLC	3,031,705	72.6	3,121,010	73.2
CLC only	1,917,855	45.9	1,960,530	46.0
AFL-CIO/CLC	1,113,850	26.7	1,160,480	27.2
CSN	279,150	6.7	278,170	6.5
CSQ	123,030	2.9	126,060	3.0
CSD	61,430	1.5	63,070	1.5
CCU	8,510	0.2	8,940	0.2
AFL-CIO only	27,830	0.7	17,630	0.4
Unaffiliated International Unions	1,500	0.0	2,120	0.1
Unaffiliated National Unions	490,670	11.7	488,200	11.4
Independent Local Organizations	154,630	3.7	155,800	3.7
Total	4,178,000	100.0	4,261,000	100.0

Note: Due to rounding sums may not always equal totals.

Source: *Workplace Information Directorate*.

Table 4
National and International Composition of Unions, 2003–2004

Type of Union	2003				2004			
	Unions		Membership		Unions		Membership	
	Number	%	Number	%	Number	%	Number	%
National	224	25.4	2,830	67.7	218	25.3	2,870	67.3
International	46	5.2	1,143	27.3	46	5.3	1,180	27.7
Other*	612	69.4	205	5.0	599	69.4	211	5.0
Total	882	100.0	4,178	100.0	863	100.0	4,261	100.0

Note: Due to rounding, sums may not always equal totals.

* Includes directly chartered unions and independent local organizations (see Table 6).

Source: *Workplace Information Directorate*.

Table 5
International and National Unions by Size, 2003–2004

<u>Membership Range</u>	<u>UNIONS</u>					
	<u>International Unions</u>		<u>National Unions</u>		<u>Total</u>	
	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Under 999	8	6	78	74	86	82
1,000 – 9,999	17	18	99	99	116	118
10,000 – 29,999	10	10	22	22	32	32
30,000 – 49,999	5	5	11	10	16	15
50,000 – 99,999	3	4	7	7	10	11
100,000 and over	3	3	7	6	10	9
Total	46	46	224	218	270	267

<u>Membership Range</u>	<u>MEMBERSHIP 000's</u>					
	<u>International Unions</u>		<u>National Unions</u>		<u>Total</u>	
	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Under 999	3	2	33	31	36	33
1,000 – 9,999	72	73	336	343	408	417
10,000 – 29,999	165	170	369	370	534	540
30,000 – 49,999	180	181	449	405	629	585
50,000 – 99,999	213	277	419	426	632	703
100,000 and over	510	478	1,224	1,299	1,734	1,776
Total	1,143	1,180	2,830	2,873	3,973	4,054

Note: Due to rounding, sums may not always equal totals.

Source: *Workplace Information Directorate*.

Table 6
Union Membership by Type of Union and Affiliation, 2004

Type and Affiliation	Unions	Locals	Membership Number	Membership %
International Unions	46	3,141	1,180,230	27.7
AFL-CIO/CLC	40	3,095	1,160,480	27.2
AFL-CIO only	3	34	17,630	0.4
Unaffiliated Unions	3	12	2,120	0.1
National Unions	218	13,126	2,873,450	67.4
CLC	65	7,631	1,960,530	46.0
CSN	10	2,457	278,170	6.5
CEQ	15	421	126,060	3.0
CCU	6	25	8,940	0.2
CSD	4	100	11,550	0.3
Unaffiliated Unions	118	2,492	488,200	11.4
Directly Chartered Unions	315	-	51,830	1.2
CSD	309	-	50,000	1.2
CLC	6	-	1,830	0.0
Independent Local Organizations	284	-	155,800	3.7
Total	863	16,267	4,261,000	100.0

Note: Due to rounding, sums may not always equal totals.

Source: *Workplace Information Directorate*.

Table 7
Canadian Labour Congress Membership by Affiliation, 2003–2004

Type and Affiliation	2003		2004	
	Membership	%	Membership	%
International Unions	1,113,850	36.7	1,160,480	37.2
AFL-CIO/CLC	1,113,850	36.7	1,160,480	37.2
CLC only	-	-	-	-
National Unions	1,917,855	63.3	1,960,530	62.8
CLC only	1,917,855	63.3	1,960,530	62.8
Directly Chartered Local Unions	570	0.0	1,830	0.0
Total	3,031,705	100.0	3,121,010	100.0

Note: Due to rounding, sums may not always equal totals.

Source: *Workplace Information Directorate*.

Structure and Affiliation Changes to International and National Unions

- The Health Sciences Association of Alberta has joined the National Union of Public and General Employees in July 2003.
- The "Syndicat des infirmières et infirmiers du Nord-Est québécois" has joined the "Union québécoise des infirmières et infirmiers" in April 2004.
- The Brotherhood of Maintenance of Way Employees has joined the Teamsters Canada Rail Conference – Division of Maintenance of Way Employees in July 2004.
- The Industrial Wood and Allied Workers of Canada has joined the United Steelworkers of America in August 2004.

Name Changes Old Name/New Name

- College Institute Educators' Association of British Columbia/Federation of Post-Secondary Educators' of British Columbia (September 2004).

New International and National Unions

- Canadian Association of Professional Employees (October 2003).
- Alliance du personnel professionnel et technique de la santé et des services sociaux (April 2004).
- Syndicat démocratique des salarié-e-s de Novabus (January 2003).

Directory of Labour Organizations in Canada

Visit the Labour Program Website at <http://www.hrsdc.gc.ca/en/gateways/topics/dxs-gxr.shtml>, choose Directory of Labour Organizations in Canada to obtain information on labour organizations in Canada. The searchable database provides information such as the affiliation, membership, telephone and fax numbers as well as e-mail and Website address.

Directory of Labour Organizations in Canada

Please enter your search criteria below, partial names and acronyms are also allowed (all fields are optional):

Union:

Affiliation: (All Affiliations) ▾

Organization type: (All Types) ▾

**Membership
(size):** From To (inclusive)

Headquarters

City:

Prov./State: (All provinces) ▾

Submit

Selected Provisions in Collective Agreements

Marie-Ève Bédard

Workplace Information Directorate

Labour Program, Human Resources and Skills Development Canada

Impact of Human Resource Management Practices on Innovation

Introduction

In September of 2003, as part of its Evolving Workplace Series, Statistics Canada published a report entitled *Empowering Employees: A Route to Innovation*, which examined the links between human resource management (HRM) practices and innovation within Canadian organizations. This article summarizes the study's major focus as well as its findings.

Objectives of the Study

The study is based on data drawn from the *Workplace and Employee Survey* conducted in 1999 by Statistics Canada in cooperation with Human Resources Development Canada (see model on page 51). The sample includes 3,545 establishments, and the analysis of the data describes the extent to which establishments using performance pay, or other HRM practices, are likely to be innovative workplaces. It also analyses the relationship between HRM practices and innovation to determine if innovation is more prominent in establishments using particular types of HRM practices, such as training, performance pay and employee involvement practices.

Dependent and Explanatory Variables

In order to meet the set objectives, the authors defined the term *innovation* as being the

introduction of a new or improved product or production process. Numerous variables were considered for the econometric model created to analyse the relationship between HRM practices and the degree of innovativeness of the targeted establishments. Thus the authors determined that innovation (novelty) was one of the econometric model's dependent variables, aimed at determining whether an establishment was the first to introduce an innovation to the market (first-to-the-market innovator), whether it introduced an innovation for the first time within its own workplace (firm-first) or whether it is a non-innovator. An establishment is said to be a first-to-the-market innovator when it has introduced a "world-first," "country-first" or "local-first" innovation.

The explanatory variables included the size of the establishments, the industrial sectors within which these establishments operate, their foreign or national status, the direct competition they face from internationally owned firms, the percentages of professional and unionized employees within each establishment's workforce, the various research and development partnerships, tax credits or grants, as well as the following HRM practices:

Training

- Formal training;
- Informal training;

Performance pay

- Individual incentives (bonuses, piece-rate or merit pay);
- Collective incentives (productivity/quality gain sharing or profit-sharing);

Employee involvement

- Employee suggestions;
- Information sharing;
- Flexible job design;
- Problem-solving teams;
- Labour-management committees;
- Self-directed work groups.

The authors have built a taxonomy, based on these 10 practices, describing the composition of HRM practices within the targeted establishments and suggesting bundling of practices but without reference to a coherent system. According to the study's results, 13 per cent of establishments use more than six of these HRM practices, 43 per cent use between four and six practices, 38 per cent use between one and three, and 7.0 per cent do not make use of any of them.

Key Findings

The key findings arising from this study are that a company's innovation performance, within a Canadian context, is effectively stronger when HRM practices are implemented. The authors have determined that organizations using more HRM practices are more likely to be first-to-market innovators, and "that the frequency of using each practice increases with the novelty of innovation."

In fact, the authors note that the higher the number of HRM practices used within an organization, the stronger the relationship with innovation. "For instance, the predicted probability of being a first-to-the-market innovator is 35 per cent when using

more than six HRM practices, 11 per cent when using three or fewer practices, and only 4.0 per cent if none of these HRM practices are adopted."

Moreover, when the HRM practices are grouped into a more structured taxonomy comprising three broad areas (training, performance pay and employee involvement), we find that establishments involved in all three HRM areas and highly dedicated in at least two of these areas have the highest probability of being a first-to-the-market innovator.

The authors invite the reader to exercise caution regarding the direction of causality between adoption of HRM practices and innovation. "One could argue that increasing the range of employees' decisions, giving them a voice in the decision-making process, and offering financial incentives will encourage an internally dynamic environment leading to innovation. Others would say that it is the introduction of new processes or products that lead management to introduce new HRM practices to facilitate the introduction of these innovations. Either way, these changes can occur only if management is willing to give more responsibility and, the essential counterpart of it—more incentives to its workers."

The authors also stress that that "the positive relationship between innovation and HRM practices does not mean that each and every establishment must implement those practices." Indeed, "such practices may not lead to productivity gains for some establishments. For instance, manufacturing establishments with a simple production process would expect negative net return from the implementation of such practices. Very small establishments would not need to implement formal HRM practices as the knowledge shared by each worker can flow more easily in such establishments than in larger ones."

For further information, the report entitled *Empowering Employees: A Route to Innovation*, written by Pierre Therrien (Industry Canada) and André Léonard (Human Resources Development Canada) is available on the Statistics Canada's Web site at www.statcan.ca/english/freepub/71-584-MIE/71-584-MIE03008.pdf as well as on Human Resources and Skills Development Canada's site at www11.sdc.gc.ca/en/cs/sp/arb/publications/research/2003-001326/2003-001326.pdf.

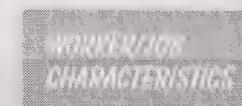
Link Between the Workplace Survey Content, the Employee Survey Content and Outcomes



- wage/earnings/hours polarization;
- wage levels by worker type;
- training received;
- use of technologies;
- job tenure.



- technology implemented;
- operating revenues and expenditures, payroll, and employment;
- business strategies;
- unionization;
- compensation schemes;
- training provided;
- mix of full-time/part-time, contract, and temporary employees;
- organizational change;
- subjective measures of productivity, profitability, etc.;
- type of market in which firm competes.



- education;
- age/gender;
- occupation, management responsibilities;
- work history, tenure;
- family characteristics;
- unionization;
- use of technology;
- participation in decision making;
- wages and fringe benefits;
- work schedule/arrangements;
- training taken.



- employment growth;
- growth in revenues;
- organizational change;
- implementation of technologies;
- changing human resource practices.

Source: Statistics Canada, 2003. *The Evolving Workplace Series: Empowering Employees: A Route to Innovations*.

Innovative Workplace Practices

Bruce Aldridge

Workplace Information Directorate

Labour Program, Human Resources and Skills Development Canada

This overview of workplace innovations is based on a review of 95 collective agreement settlements negotiated during the second quarter of 2004. Of these, slightly less than one half (44 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 95 settlements reviewed during the quarter, over 50 per cent (53 collective agreements) had a duration of 36 months. Four settlements had durations of 12 months. Thirteen settlements had durations of between 15 and 24 months while 16 had durations of exactly 48 months. Nine settlements had durations of 54 months or more. The two longest durations of 72 months each were with Canadian Forest Products Ltd., various locations in British Columbia, and Industrial Wood and Allied Workers of Canada and Marché St-Joseph, Montréal, Quebec and United Food and Commercial Workers International Union.

Compensation

Two collective agreement settlements in the forest industry have negotiated **profit-sharing** plans. The plan between Canadian Forest Products Ltd., various locations in British Columbia and Industrial Wood and Allied Workers of Canada is based on the industry's return on capital investment and will provide annual lump-sum payments of \$500 with respect to years two, four, five, and six of the collective agreement and \$1,000 in year three. The other plan with Forest Industrial Relations Limited, various locations in British Columbia, is to be established and also based on the industry's return on

capital. Should the parties not agree on an appropriate formula by September 30, 2004, the issue will be referred to the Mediation-Arbitration Commissioner for a binding determination. The final plan will be modeled on the profit-sharing plan negotiated for the 2003–2009 Southern Interior Master Agreement and adapted to the specific circumstances of the Forest Industrial Relations Limited companies.

In order to address **recruitment and retention** issues, the Saskatchewan Institute of Applied Science and Technology, Regina and other centres in Saskatchewan, and Saskatchewan Government and General Employees' Union have agreed to implement new pay grids over a five-year period commencing July 1, 2003. Differences in salaries paid to instructors in the lower salary ranges will be substantially eliminated and salaries for the higher levels will be increased through additional education allowances.

Ontario Power Generation Inc., Nuclear and Non-nuclear, province-wide, Ontario, and Society of Energy Professionals will introduce a **skills and competencies performance pay** plan on January 1, 2005. The minimum performance payouts will be 1.0 per cent of base payroll for the year 2004.

A new **team incentive** plan has been established between La-Z-Boy Canada Limited, Waterloo, Ontario, and Communication Workers of America. The employees will be given the opportunity to create and work in manufacturing teams. For the purpose of team initiation, employees will be paid incentive earnings at Grade 5 base rate, but are

guaranteed 150 per cent of base rate or their average rate, whichever is lower, while participating in the training/trial period. Following this period, the base rate will be set at 125 per cent for the first two months and will decrease by 5.0 per cent for the next three months until the base rate reaches 110 per cent.

The Community Social Services Employers' Association, province-wide, British Columbia, and Community Social Services Bargaining Association of Unions continue a **job evaluation** plan. Effective March 31, 2005, one-time lump-sum payment in lieu of retroactivity will be distributed from a fund of \$1,500,000 to those employees who were waiting for the outcome of job evaluation reconsideration appeals for the period October 1, 2002 to March 31, 2004. Also, the sum of \$6,100,000 will be applied to selected wage rates effective March 1, 2006 in accordance with the terms of the renewed job evaluation plan. The parties have also negotiated a new **two-tier wage structure**. For employees hired after March 31, 2004, wage rates will be set at 85 per cent of the 2001 job evaluation plan wage structure for the first 2,000 hours, 90 per cent for the next 2,000 hours, 95 per cent for the next 2,000 hours and 100 per cent after 6,100 hours.

A **long-service wage increment** has been initiated between Calgary Laboratory Services (CLS), Calgary, Alberta, and Health Sciences Association of Alberta. Effective April 1, 2004, long-service increments equivalent to 3.5 per cent of the current top steps will be added as an eighth step of the salary schedule for certain classifications. To qualify for the increment, employees must have seven years' service at the previous top step of their classification.

Bonuses

Marché St-Joseph, Montréal, Quebec, and United Food and Commercial Workers International Union have a **Christmas bonus** providing 2.0 per

cent of wages earned between November 15 of the current year and November 15 of the preceding year. Maple Leaf Pork, Burlington, Ontario, and United Food of Commercial Workers International Union have an **attendance bonus** which pays employees 75 cents per hour for perfect attendance.

Working Conditions

Alternative work shift flexibility arrangements have been introduced by Forest Industrial Relations Limited, various locations in British Columbia. As per an arbitration report, the employer may implement additional shift arrangements as follows:

- a) two crews working four days, 10 hours per shift;
- b) three crews working Monday to Saturday, 10 hours per shift, not to exceed 40 hours per week; and,
- c) four crews working continuous seven-day operations scheduled to work shifts other than a) and b).

The employer stipulates that alternate shift schedules will not be introduced where the intention is to increase the use of casual employees in place of regular employees. Also, where the employer does not provide 72 hours' notice of a change to an employee's work schedule, the employee will be paid time and one half for the first shift on the new schedule.

Marché St-Joseph, Montréal, Quebec and United Food and Commercial Workers International Union have initiated a pre-retirement provision for a **reduced workweek**. Employees with a minimum of 50 years of age and 10 or more years of service can work a reduced work schedule of four days per week for a period of six months or more. The employer will limit the number of eligible employees based on operational plans. The employee must give a minimum notice of three weeks to the employer to adhere to, modify or cancel a reduced workweek agreement.

A new **retiree health and welfare benefit** plan has been negotiated between Sherritt International Corporation, Fort Saskatchewan, Alberta, and Communications, Energy and Paperworkers Union of Canada. The parties will research options that would allow retired employees an opportunity to purchase benefits at a lower market rate versus individual premium rates. The benefits would include drug prescription, vision, dental and medical practitioner plans. The employer will implement the plan within 18 months after ratification of the collective agreement.

Job Security

New provisions have been negotiated dealing with **accommodating employees returning to work after a disability**. Westfair Foods Ltd., province-wide Manitoba and United Food and Commercial Workers International Union recognize their **joint responsibility** in this regard by agreeing that returning employee's job duties may be modified and/or that the employee may be assigned to a different work assignment where reasonably practicable. If an employee can only be accommodated in a lower paid classification, the employer will attempt to find a position that minimizes the effect on rates of pay.

Vancouver and District Labour Council, Vancouver British Columbia, and Office and Professional Employees International Union negotiated a provision which states that an employee, who resumes employment following a long-term disability leave, will be **reinstated to the position previously occupied** or to a comparable position, provided there are no medical limitations.

A **return to work program** has been established between College Compensation and Appointments Council, province-wide, Ontario, and Ontario Public Service Employees Union. Every college will have a policy to support injured and ill employees in returning to work and will contain the following:

- a statement of commitment that describes how the program will operate, which may contain a permanent or ad hoc committee;

- strategies that support the statement and form a framework within which individual cases are managed;
- a description of roles and responsibilities for the various stakeholders involved in the process;
- a process that outlines the steps to be followed in managing individual cases, including a mediation component;
- a dispute resolution process;
- a communications and training component; and,
- a process for regular reviews of the program.

Windsor Casino Limited, Windsor, Ontario, and CAW-Canada have negotiated a provisions whereby employees who are **laid off due to technological change** and who do not displace a junior employee, are entitled to a payment of \$1,000 per year of service upon resignation. An employee who does not wish to accept this payment may remain on layoff and be eligible for a training allowance of up to \$2,000 per year to a maximum of \$4,000 during the first two years of layoff. If the employee does not accept either of the above options, they will be eligible for training on any vacancy unfilled following the posting process that exists at the time the employee is laid off.

A **plant closure** clause introduced between Ontario Power Generation Inc., Nuclear and Non-Nuclear, province-wide, Ontario, and Society of Energy Professionals states that the basic and service based search notice of 24 weeks will be converted to cash and the employee will cease employment if no work is available. The employee will have recall rights for the duration of the notice period. In the event of a **mill or logging camp closure**, Forest Industrial Relations Limited, various locations in British Columbia, and Industrial Wood and Allied Workers of Canada have a severance package which provides the employee with a lump-sum payment equal to 10 days pay per year of continuous service.

Training/Education

Nortel Networks, Montréal, Quebec, and Canadian Union of Communications Workers have established a **training and education** provision. The employer will reimburse the registration and training fees and books for Class Three positions. The training courses will be made available either inside or outside of the normal working hours at education institutes.

A **retraining fund** continues between Université Laval, Québec, Quebec, and Fédération nationale des enseignantes et enseignants du Québec. The employer contributes an annual amount equivalent to the salaries of 50 lecturers with a priority to upgrading lecturers and to collective projects initiated by the employer. An **education fund** has been negotiated by Health Authorities of Prince Edward Island, province-wide, and International Union of Operating Engineers. An amount equivalent to \$65,000 will be provided on April 1, 2003, and 2004, and \$75,000 on April 1, 2005.

Labour-Management Committees

During the second quarter of 2004, 15 of the 44 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of issues.

The Health Authorities of Prince Edward Island, province-wide, and International Union of Operating Engineers have established a **pensionable service** committee. The parties have agreed to refer the matter of "deemed services" to the committee for consideration, including the matter of an employee's ability to move to permanent part-time employment within the last few years of their career while continuing to earn full-time pension credits.

A **workplace issues** committee has been initiated between Windsor Casino Limited, Windsor, Ontario, and CAW-Canada. The joint representatives will meet at regular intervals to discuss suggestions, problems, methods of improving morale, and other similar subjects and concerns including gaming issues, and both regulated and unregulated changes in the industry.

Other committees included in collective agreements deal with such items as classification evaluations, training, and retiree health and welfare benefits.

Innovative Workplace Practices

Previously published innovative workplace practices from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Web site at

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

Labour-Management Partnerships Program

Projects

*Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada*

The Labour-Management Partnerships Program is a contribution program administered by the Federal Mediation and Conciliation Service. The Program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together.

Projects by organizations representing the interests of both labour and management are eligible for funding if they are innovative, help to foster positive labour-management relations, and have the potential to provide results that will be useful for other workplaces.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most reports will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation and Canadian Media Guild (CMG)

The purpose of this project is to evaluate a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation Web site at <http://www.cbc.ca>.

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada.

City of Toronto and Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues. The approach will be introduced to line management and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations.

Ford of Canada Ltd. and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada)

The union and the company have received funding for a training video looking at three types of harassment in the workplace: gender, racial and sexual orientation. Using actors to portray events, the video will recreate harassment incidents, and give direction to victims of harassment and their union representatives and co-workers on how such situations should be handled to further the goal of eliminating harassment in the workplace. A joint steering committee is overseeing the concept, treatment, rough and fine cut reviews and pilot testing. The video will be used as a training tool in CAW represented workplaces and in other unionized and non-unionized workplaces.

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives. Visit Queen's University Web site at <http://www.queensu.ca>.

Threads of Life and Ontario Federation of Labour and Industrial Accident Association of Ontario

Threads of Life is a newly established not-for-profit organization which aims to support families who have been affected by a workplace tragedy such as death or injury. The organization was launched on April 14, 2003 during a Health and Safety Conference sponsored by the Industrial Accident and Prevention Association. Families from across the country shared their experience and took the first steps towards building a national organization. In addition, employers, unions and government organizations have lent their support to the initiative. More information can be found on the group's Web site at <http://www.threadsoflife.ca>.

University of Calgary

In conjunction with a union-management steering committee, the University of Calgary is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives. Visit the University of Calgary Web site at <http://www.ucalgary.ca>.

Westfair Foods Limited and United Food and Commercial Workers Union, Local 247

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

*For more information, contact the Labour-Management Partnerships Program,
Federal Mediation and Conciliation Service
at (819) 997-3292 or 1-800-563-5677 or
visit their Web site at*

**<http://www.hrsdc.gc.ca>, click on:
(1) Partnership and Funding,
(2) Labour Partnerships.**

Labour-Management Partnerships Program

*Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada*

Welcome to the Team!

A tri-partite group in Montréal received funding under the Labour-Management Partnerships Program to create a comprehensive workplace training package supporting women working in non-traditional occupations

F.R.O.N.T. (Femmes regroupées en options non traditionnelles) is a well-established non-profit organization in Montréal that works toward the improvement of the quality of life of women working in the trades. This objective applies equally to women working or studying in non-traditional lines of work.

Collaborating with their partners, the Montreal Transit Commission (Société de transport de Montréal), and the union representing maintenance workers at the Transit Commission (Syndicat du transport et des employés des services d'entretien (CSN)), F.R.O.N.T. was successful in applying for project funding under the Labour-Management Partnerships Program. The focus of the project was to create a comprehensive workplace training package to support women working in non-traditional fields.

Project Details

The tri-partite coordinating committee for the project included managers from the Montreal Transit Commission, union representatives from the Syndicat du transport de Montréal (Service d'entretien de la

STM – CSN) and representatives from F.R.O.N.T. They established two main goals for the project:

- to facilitate the entry and support the presence of women in non-traditional occupations
- to sensitize all parts of the workplace to women working in these sectors

With funding of \$40,000 from the Labour-Management Partnerships Program, the group worked toward developing training material to complement a video. The intent was to create a more effective and useful training tool and to provide training to managers and union representatives in how to use the material. During development, they also made use of focus groups to validate the contents of the training material. A further aspect of the project was the creation of a promotional campaign surrounding the launch of the video.

Training Package

A teaching guide was designed for use by employers, unions and the school system. The material was developed in such a way that it can easily be adapted to a one-day course, a half-day course, or a two-hour discussion. The techniques suggested for delivering the material are outlined in detail and range through workshops and discussions, questions, case-studies, and role play.

The teaching guide includes three detailed training modules:

- A forward with general information.
- A detailed training roll-out including legal issues; an outline of responsibilities and obligations; and concrete measures for employers, unions and school counsellors. There is also information on programs available in Quebec, policies (including information on how to establish a workplace policy), and redress measures. A further component of the training includes information on mentoring, twinning and networking.
- A selection of logistical tools including a workshop checklist, a list of reference material and some sample forms.

The material was tested by two focus groups—one of union representatives and one of managers—and the material was revised based on input provided.

Other parts of the training package include a participants' workbook, the video and supporting material for a power point or overhead presentation.

Video "Bienvenue dans l'équipe":

On June 17, 2004, F.R.O.N.T. formally launched the 25-minute video "Bienvenue dans l'équipe" at an event to which numerous supporters, officials and the media were invited. The video was well received, and was recognized as being an integral part of a training package. The production quality is high and the contents include simulated work situations and interviews with managers, union representatives and women working in non-traditional jobs.

In a speech delivered that evening by Mrs. Suzanne Côté, CSN vice-president responsible for women's issues, she described the difficulties encountered by women working in non-traditional sectors, the issues they have to face, and the assistance provided through training packages such as this one. School board representatives also made presentations and voiced their support for the project. With the training package now complete, and the video launch generating further interest, F.R.O.N.T. has "used the buzz" to generate interest in the training among other companies, unions and school boards.

The video and accompanying training material are available, in French, from F.R.O.N.T. Detailed information about the project is available in both official languages from the Labour-Management Partnerships Program.

For more information about the group, visit F.R.O.N.T. (Femmes regroupées en options non traditionnelles) at <http://www.front.qc.ca>.

The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program.

The project was made possible by financial assistance from the Labour-Management Partnerships Program, Federal Mediation and Conciliation Service, Labour Program.

Telephone: (819) 997-3292 or 1-800-563-5677

Web site: <http://www.hrsdc.gc.ca>, click on

(1) Partnership and Funding,

(2) Labour Partnerships.

Workforce Sectoral Partnerships in Quebec - A Positive Assessment

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Introduction

It has been more than a decade since numerous studies diagnosed major weaknesses in the level of involvement of union and management representatives in the field of training in Canada (Porter 1991; CLMPC 1990; Economic Council of Canada 1992). These studies generally observed the absence of a training "culture," which of course meant poor financial investment, but also a lack of joint practices among the representatives, weak links with the educational community, weak sectoral and regional organization and tenuous, even ad hoc, links with governments on the subject.

Governments tried to redirect training activities with policy statements issued at the beginning of the 90's (Employment and Immigration Canada 1989; MMSRFP 1989). With their specific insistence on union-management partnership, these statements aimed to ensure that public policy reached the workplace. These policy statements came in the wake of numerous observations in Canada that such partnership would increase in labour market effectiveness. We may recall the findings of the Dodge report in 1980, the Allmand report in 1981, the Macdonald report in 1985 and the DeGrandpré report in 1989 emphasizing the need for structured union-management partnerships (Charest 1998).

The Government of Quebec published its own policy statement in 1991, followed by specific political and institutional innovations. These included the creation of the Société québécoise de développement de la main-d'œuvre [Quebec labour force development board] in 1992, the adoption of legislation known as the 1 per cent training levy in 1995, and then the transformation of the Société into Emploi-Québec in 1997, accompanied by the creation of the Commission des partenaires du marché du travail [labour market partners commission].

The objective of the 1991 policy statement and the innovations that followed was to change the behaviour of union and management representatives in order to involve them in the meaningful and sustainable joint management or regulation of training. Thus the union and management representatives involved in the Société (and subsequently in the labour market partners commission) produced a new sectoral intervention policy in 1995 aimed at supporting the organization of stakeholders involved in training, thanks to the creation of sectoral workforce committees in all sectors of economic activity in the Quebec private sector where union and management representatives were willing to create such committees.

This paper was presented at the Round Table on *Emerging Partnerships*, 40th Annual Conference of the Canadian Industrial Relations Association, that was held at Dalhousie University, Halifax, Nova Scotia, from May 31 to June 2, 2003.

The text is, in part, an excerpt from the evaluation of the Emploi-Québec sectoral initiative policy 1995-2001 (September 2002) that we produced for the Ministère de l'Emploi et de la Solidarité sociale [Quebec employment and social solidarity department]. It is also part of more general work on new partnership institutions in Quebec done in the framework of research subsidized by the Social Sciences and Humanities Research Council of Canada.

The Government of Quebec's policy and institutional innovations in training attempted to involve the stakeholders and their organizations in the gradual implementation of levers, tools and resources that, in the end, would structure the organization of training in businesses, raise the level of training investment, and improve union and management linkages, as well as their linkages with the educational community, regarding their training vision and strategies. Our theoretical analysis of this process is based on an institutionalist trend that establishes links between public policy (macro) and the changing of behaviour of workplace stakeholders (micro), through the intermediary of institutions (meso) that involve organized industrial relations representatives. From that perspective, we have looked into partnership innovations in Quebec in the past few years as a way to contribute both to the development of knowledge on the evolutionary dynamics of institutions/actors and to the evaluation of public policy effectiveness in Quebec with regard to workforce development.

We propose a brief analytical outlook at the sectoral intervention policy that led to the establishment of 26 sectoral committees in Quebec. Overall, our analysis shows that the policy has produced significant results in only a few years in the area of labour-management partnerships in workforce development, precisely because the policy allowed the participants enough independence to provide the impetus and activism needed by such institutions. Nonetheless, government support and monitoring have proven essential to the success of the policy initiative.

The 1995 Sectoral Intervention Policy

The sectoral intervention policy was adopted by the board of directors of the *Société québécoise de développement de la main-d'œuvre* [Quebec society for workforce development] at the end of 1995. The policy relied on a sectoral approach to deal with numerous workforce and economic issues. The sectoral committees' mandate was established

as follows: "(...) to foster and consolidate partnership on a sectoral basis, in cooperation with the regional bodies and government departments and agencies involved (Ministère de l'Industrie, du Commerce, de la Science et de la Technologie [industry, trade, science and technology department]; Ministère de l'Éducation du Québec [Quebec education department]; Human Resources Development Canada, etc.) in order to enable the community to take charge of the development of the factors that affect the competitiveness of the businesses and workforce in a sector." (SQDM, 1995:3) [translation]

The committees' mandate was specifically to:

- Develop continuous training through: participation in the implementation of an act fostering training development for workers; identification of current and future required workforce competencies in a trade or occupation in the sector involved, in order to update and develop training programs; identification of trades and occupations in the sector in which it would be possible and desirable to create an apprenticeship program and participate in its development and implementation;
- Identify the specific human resources management and work organization needs in a sector and develop alternatives and intervention methods to respond to the problems identified;
- Develop relevant measures relative to the workforce, businesses and job creation to ensure job stabilization and reduced unemployment in the sector;
- Take into account target client issues and offer potential solutions for businesses in the sector where those clients make up a significant percentage of the workforce and/or where opportunities for the clients' labour market entry or re-entry can realistically be planned;
- In accordance with these mandates, disseminate information to all businesses and workers in the

involved sector in Quebec, particularly during the development and completion of sectoral action plans. (See the *Politique d'intervention sectorielle* [sectoral intervention policy], SQDM 1995: 3-4.) [translation]

The mission of the sectoral committees focused on partnership was certainly fairly broad, even ambitious, on specific subjects such as factors that affect business competitiveness and reduced unemployment. Their mandate was also to foster linkages between the sectoral committees, businesses and workers in different sectors. Establishing such links represented initially a significant challenge for many economic sectors, particularly those where the participants' level of internal organization was not very high or where the number of stakeholders was more significant. At the time when the policy was adopted, some sectoral committees already existed and had over two years of experience to rely on. However, most of the sectors had to build a whole new dynamic for sectoral cooperative action.

The sectoral approach appeared promising for workforce and development issues and was logically well founded; however, it was still essentially a theoretical model for most sectors, and there was no guarantee of its implementation feasibility. The

magnitude of the challenge or challenges that were to be faced by the new policy at the time was so great that only a few observers would have expected to see 26 sectoral committees created only a few years later. The scepticism would undoubtedly have been even greater had it been suggested that the committees would indeed mobilize the sustained involvement of over 300 private labour market partners in a structure with equal labour-management representation, relying entirely on the voluntary involvement of these "pioneers" in sectoral intervention.

We have specifically considered two aspects of the sectoral intervention policy, namely its implementation and its results and impacts. Our analysis is based on a formal evaluation involving various government, management and union representatives and the directors of the sectoral committees who have been working within the sectoral intervention policy framework since 1995. A total of 227 people were interviewed for the evaluation; in addition, 22 case studies on sectoral committees and four reports were prepared, including one focusing on the overall evaluation of the sectoral intervention policy (Charest 2002).

List of Sectoral Workforce Committees* and Year of Establishment

Primary Sector

- *Comité sectoriel de main-d'œuvre de la production agricole* (1995)
[Agricultural production sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre des pêches maritimes* (1996)
[Ocean fisheries sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre en aménagement forestier* (1997)
[Forest management sectoral workforce committee]

* In addition to the sectoral committees, there are four advisory committees and two employment integration and maintenance committees whose activities are related to target clients. The four advisory committees relate to workers aged 45 and older; women; youth and persons subject to judicial control. The two other committees are the employment integration and maintenance committee for immigrants and a workforce adjustment committee for persons with disabilities.

(cont'd)

Secondary (or Processing) Sector

- *Centre d'adaptation de la main-d'œuvre de l'aérospatiale au Québec (CAMAQ) (1983)*
[Centre for aerospace labour force activities in Quebec]
- *Comité sectoriel de la sidérurgie du Québec (1995)*
[Iron and steel manufacturing sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de l'industrie du caoutchouc du Québec (1997)*
[Quebec rubber industry sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de l'industrie électrique et électronique (1996)*
[Electrical and electronics industry sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de l'industrie textile du Québec (1995)*
[Quebec textile industry sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de la chimie, de la pétrochimie et du raffinage (1995)*
[Chemical, petrochemical and refining sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de la fabrication métallique industrielle (1995)*
[Metal manufacturing sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de la plasturgie « Plasticompétences » (1993)*
[Plastics products sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre des industries des portes et fenêtres, du meuble et des armoires de cuisine (1994)*
[Door, window, furniture and kitchen cabinet industries sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre des industries des produits pharmaceutiques et biotechnologiques du Québec « PharmaBio Développement » (1999)*
[Quebec biotechnology and pharmaceutical industries sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre des industries du bois de sciage (1993)*
[Sawmill industries sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre en transformation alimentaire (2001)*
[Food processing sectoral workforce committee]

Tertiary (or Service) Sector

- *Conseil québécois des ressources humaines en culture (1999)*
[Quebec board for human resources development for culture]
- *Conseil québécois des ressources humaines en tourisme (1995)*
[Quebec board for human resource development for tourism]
- *Comité sectoriel de main-d'œuvre de l'économie sociale et de l'action communautaire (1997)*
[Community action and social economics sectoral workforce committee]
- *Comité sectoriel de main-d'œuvre de l'environnement (1996)*
[Environmental sectoral workforce committee]

(cont'd)

- Comité sectoriel de main-d'œuvre de l'industrie des services automobiles (1997)
[Automotive services industry sectoral workforce committee]
- Comité sectoriel de main-d'œuvre des communications graphiques du Québec (1996)
[Graphic communications sectoral workforce committee]
- Comité sectoriel de main-d'œuvre des services de soins personnels (2000)
[Personal care services sectoral workforce committee]
- Comité sectoriel de main-d'œuvre du commerce de détail (1996)
[Retail trade sectoral workforce committee]
- Comité sectoriel de main-d'œuvre du commerce de l'alimentation (2000)
[Food trade sectoral workforce committee]
- Comité sectoriel de main-d'œuvre du transport routier au Québec « CAMO-Route » (1990)
[Quebec road transport sectoral workforce committee]
- Comité sectoriel de main-d'œuvre en technologies de l'information et des communications « Technocompétences » (1998)
[Information and communication technology sectoral workforce committee]

Period of Policy Implementation: 1995–2002

The policy evaluation drew a first general conclusion establishing that the 1995–2002 period should be considered as the policy implementation period and that this crucial step was completed with a great deal of success. Indeed, it was a period during which most of the committees were created, and when energies were focused on structuring the internal organization of the sectoral partnership.

Bringing together participants, mobilizing them as volunteers to work on an ambitious project, often unprecedented in the sector; recruiting appropriate human resources for basic operations and adopting rules of operation; defining the sector's limits; learning about the policy and government support; learning to work together on a consensual basis; gradually expanding participation; developing a strategy for sector penetration and a strategy for action were fundamental elements. The committees had to devote time and energy to these before proceeding to a more operational stage aiming at target results for the workplaces. The older committees had already successfully completed or begun the inter-

nal structuring phase, although they had to integrate the new policy. Few committees had already launched the external activities phase.

The case studies do not provide for the duration of the committees' internal structuring phase, which varied according to factors such as the number of businesses in the sector and their geographic distribution, the level of organization and cooperative action of sectoral representatives, the perceived importance of the workforce as a competitiveness factor, and so on. It is not a matter of identifying a strict cut-off between the implementation phase and the external results phase; experience has shown that both go together, and even reinforce each other. Moreover, for most committees, achievements that focus on the industry and workplace can be identified fairly early in the development process. However, the challenge of building the foundations for a sectoral partnership based on the participants' voluntary contribution takes not months but years. In this regard, evaluation results show that such a policy takes a few years from introduction to imple-

mentation. Even after six years, implementation has not been fully completed in a number of committees or among various industry and public representatives and between these two categories of participants.

Although the internal structuring phase has not been entirely completed in 2002, the evaluation shows that the theoretical phase was completed. At that time, sectoral intervention has taken shape in 26 committees, in addition to four advisory committees and two employment integration and maintenance committees. Emploi-Québec has a sectoral intervention branch (the *Direction générale adjointe à l'intervention sectorielle*), with approximately 20 professionals dedicated to sectoral intervention, supported by the *Commission des partenaires du marché du travail* [labour market partners commission]. The Commission has committed itself to sectoral intervention as one of the two cornerstones of its partnership policy, the other one being a partnership with the regions. There are also hundreds of employers and workers' representatives who devote time and energy to ensuring the vitality of the sectoral intervention policy, with the support of government resources directly or indirectly involved in its implementation.

Our evaluation highlights a number of critical factors in the successful implementation of the policy, including:

- Recognition of sectoral committees based on an economic activity sector breakdown that essentially follows the North American Industry Classification System. This limits the number of committees in order to facilitate coordination and enable the identification of target clients based on traditional statistical breakdowns. (The Commission, which authorizes the creation of a sectoral committee, identified 43 economic activity sectors for the purposes of sectoral intervention.)
- A certain degree of flexibility must allow the partners of a committee to target and set priorities for the subsectors and clients to be reached in their sector.
- The sectoral intervention policy mandated committees to incorporate as non-profit organizations. This led to the definition of the internal policies and operating methods that guide a committee's operations, including the use of consensus. Although these policies and rules vary from one committee to the next, they are essential for implementation of effective policy and committee internal governance.
- Stability of public funding is essential for committee operation. Funding is granted by Emploi-Québec on the basis of each sectoral committee three-year plan and annual submissions outlining what has been accomplished. The budget granted to the 26 sectoral committees, the advisory committees and the employment integration and maintenance committees for 2000–2001 was \$13.4 million. Some of the committees also manage to partially finance themselves through their activities with businesses and clients.
- The development of a sectoral expertise and the professional influence of the committee—particularly of the individual who performs the coordination or executive function. The leadership and competencies of this individual, at the core of the committee, are critical to committee development. Committee staff is generally limited to two or three people; the largest number being around 10 paid individuals.
- The fullest and broadest participation of union and management representatives and the capacity to represent the interests of all components of the sector (union and non-union workforce; small and large businesses; etc.) are required. A committee's capacity to represent all components must also evolve according to the reality of the sector and the gradual recognition of the committee as a sectoral entity. This representativeness must be approved by the *Commission des partenaires du marché du travail* [labour market partners commission].

- A strategy for mobilization of the sector representatives around action plans ensures a shared vision essential to a consolidation of committee activities.
- An integrated communications strategy—a strategy that involves Emploi-Québec, the sectoral intervention branch (*Direction générale adjointe à l'intervention sectorielle*), the Commission and the committees themselves—must aim to promote recognition of the sectoral intervention policy both internally, within government structure, and among sector clients. We have observed that, even after six years, the policy and committees were sometimes poorly known, even within government.
- Partnerships must be established between the representatives themselves (for example, between the sectoral committees, Canadian sectoral councils, the different departments, union and management associations already present in the sector, the regional *Emploi-Québec* structures and so on). These partnerships should be based on clear and complementary mandates that identify the respective benefits for the participants and the terms and conditions for cooperation. Sectoral and regional partnership appears to be particularly crucial in this regard, in view of the converging mandates and the potential benefits for target clients resulting from sharing available resources at both sectoral and regional levels. That type of sectoral and regional partnership was far from being accomplished, even after six years of policy implementation.
- The stability of sectoral intervention advisors—public servants in the sectoral intervention branch of *Emploi-Québec*—and their contribution to all aspects of sectoral committee life and policy implementation are also important factors. The quality of their interaction and relationships with committees and all resources dedicated to clients are determining factors for policy implementation. We noted a high turnover rate among advisors in the first six years.
- Finally, a strong political leadership and support from *Emploi-Québec*, particularly from the sectoral intervention branch regarding the role of sectoral committees, remains a condition for improving the sectoral intervention approach. Representatives from the community rely on that coordination to support their efforts.

Tangible Results of Sectoral Partnership

Although the 1995–2002 period was described as the policy implementation phase, external activities and results are already numerous and diversified and have reached a portion of the policy's target clients. In fact, those achievements often accompany and facilitate the implementation of the policy, as it is easier to raise awareness and introduce a sectoral approach when tangible results attest to its soundness. Results reinforce the conviction of the early participants and contribute to "converting non-believers".

Carrying out operational mandates that focus on clients fairly early after the creation of the committees must be encouraged with projects that unite members and can be achieved in the short term. On the other hand, committees must avoid trying to do too much, working simultaneously on many projects, particularly in the first few years. Some newly formed committees took that route, with the result that partners ran out of steam. Also, the lack of a foundation for the committee in the sector seemed to divert the committee somewhat from its course. Experience shows that success achieved in sectoral activities is shaped through accumulated tangible results.

Overall, the evaluation showed that the sectoral intervention policy supported numerous committee activities, particularly in the area of workforce development. That seems to be a significant accomplishment, particularly for a new policy, given the scope of the challenges to be met with fairly limited human resources in the sectoral committees themselves. Although the contribution differs from one sector to another, and the assessment of results is often problematic or shows only partial mandate achievement, the result phase is solidly rooted in the workplace and government operations.

Experience has shown that, over time, committees such as the *Centre d'adaptation de la main-d'œuvre de l'aérospatiale au Québec* [centre for aerospace labour force activities in Quebec] and the *Comité sectoriel de main-d'œuvre du transport routier au Québec* [Quebec road transport sectoral workforce committee] have become key to workforce development in their respective sectors and central to the cooperation and alignment of all representatives involved, even though the committees are first to acknowledge that partnerships undergo constant changes and that success requires ongoing efforts.

The sectoral approach can thus be said to produce significant tangible results consistent with the initial mandate, including:

- Producing and distributing information essential to workforce and sector development.
- Contributing to partners developing a "sectoral vision" of the issues and solutions that lead them to go beyond their own specific (union or management) and often local (their business or union) dynamics.
- Translating the vision into a strategic workforce development approach, with tools and innovative methods that support sectoral activities and participants in the workplace.
- Creating a partnership and new practices among participants in a unique institutional form in Quebec's industrial sectors.
- Contributing to the development of workforce skills and the fundamental components of a continuous training approach in the sectors (upgrading jobs in the sector, promoting continuous training, contributing to apprenticeship and competencies programs, defining occupational standards, describing trades, and

Sectoral Committee Results in 2000–2001

Activities	Number	%
Development of continuous training in the workplace	117	20.8
Identification of human resources management and job stabilization needs	25	4.4
Development of job stabilization measures	12	2.1
Recognition of the target clients issues and needs	24	4.3
Dissemination of information	234	41.6
Identification of workforce development needs and implementation of action and training plans	151	26.8
Total	563	100.0

Source: *Bilan des réalisations des comités sectoriels de main-d'œuvre et des comités d'intégration et de maintien en emploi* [workforce sectoral committee and employment integration and maintenance committee results], Direction générale adjointe à l'intervention sectorielle [associate sectoral intervention branch], Emploi-Québec, February 2002, p. 8.

- identifying current and future workforce skills and competencies, training locations and programs, trainers, and program reviews, etc.).
- Facilitating contacts and influence with students to provide quality entrants as replacements in the sectors.
- Providing support for a significant number of workplaces that are taking charge of workforce issues and business development (including, for example, applying the legislation known as the one per cent training levy).
- Bringing together the critical participants in employment partnerships—that is, the workplace, educational and government communities dedicated to economic and employment development. In this area, bringing together the educational community and working world has been a major success of the sectoral committees.

The Sectoral intervention Policy: A Living Policy

The sectoral intervention policy was introduced in 1995–1996, eight years ago, a relatively short time for a public policy that offered so many innovations to private and public labour market participants and had such an ambitious program. Sectoral intervention is multifaceted, bringing together participants from a variety of organizational cultures whose home bases are often not linked to sectoral intervention

itself. The sectoral approach aims to achieve cooperative action among representatives from the private sector, public sector, institutions and *Emploi-Québec* branches, all in an environment that is itself complex in terms of workforce development. All these components could not be transformed into sectoral partnership overnight; however, the diversity of the participants and their environments is precisely what has reinforced this approach to workforce development and has contributed in making the sectoral intervention policy a "living policy".

In that sense, what transpires from this evaluation is that the sectoral intervention policy was first and foremost a policy designed for labour market participants, and that it has been a successful policy in that regard. The response, perseverance and maturity shown by the diverse groups of participants are no doubt key to the success of sectoral partnerships. The diversity of participants and environments also makes it necessary for the policy to be supported by strong leadership within *Emploi-Québec*. The participants need support from the government in their partnership and workforce development processes. Without such political and financial supports, the Quebec sectoral intervention policy could not have been developed, and undoubtedly the continuing success of the policy will remain tied to such support in the coming years.

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NATIONAL INTERVENTION MODEL

Promoting Healthier and Safer Workplaces

Labour Program Communications
Human Resources and Skills Development Canada

The Labour Program continues to work at the leading edge of occupational health and safety by creating in the last year a National Intervention Model to promote healthier and safer workplaces in the federal jurisdiction.

Amendments to Part II of the *Canada Labour Code*—the part that deals with Occupational Health and Safety—came into effect in 2000. An important underlying principle of these changes was to further enhance internal responsibility for health and safety in the workplace and to encourage a higher level of voluntary compliance with the *Code*.

With this objective in mind, the Labour Program decided to look at what others in Canada and abroad were doing in the area of planned intervention strategies. The findings included:

- inspection of worksites is one of the most effective interventions;

- better prevention results are achieved by focusing on employers and worksites at higher risk of work injuries within a given industrial sector; and
- the risk of work injuries is usually defined using indicators such as frequency rate, incidence rate, prevalence rate and severity index associated with workplace injuries.

These findings lead to the development of the National Intervention Model, a process that assesses components of occupational health and safety in workplaces and provides the framework to improve any deficiencies identified.

The Model was initially used as a pilot project by four regions. Subsequently, a single National Intervention Model was developed to provide a reliable and consistent approach across the country.

The Intervention Model is a six-step process:

Selection of Employer—The Labour Program has a reliable and transparent selection process. Various sources of information are used to indicate which occupations will have a higher risk of injury or illness and which worksites have the highest accident rates.

Employer Commitment—This step includes an on-site meeting with the employer where the process is explained and their "buy-in" is secured. This is an important step because the process is meant to be voluntary with the focus on prevention and education.

Occupational Health and Safety Appraisal and Development—During this stage a preliminary assessment of health and safety components at the workplace is completed. Depending on the outcome of the appraisal, tools and assistance may be provided to the employer by Labour Program officers. It is not the intention here to provide training on how to comply with the *Code*, but rather to provide employers with the information and tools that will assist them.

Occupational Health and Safety Assessment—This is a formal assessment of workplace components such as safe working procedures; health and safety education and training; hazardous occurrence investigation, recording and reporting; health and safety representatives, committee and policy committee, and the internal complaint resolution process.

Occupational Health and Safety Analysis and Action Plan—This step of the process is the analysis of the information gathered to date and working with the employer to create goals to meet the requirements of the *Code*. Compliance with the assessment components serve as an indicator as to the likely success of the overall occupational health and safety program in a given workplace.

Maintenance of the Workplace Occupational Health and Safety Program—The Labour Program monitors the Program as a means of determining success and frequency of future interventions.

It is worth noting that the approach to implementing the Intervention Model at the level of the workplace is completely voluntary. It is a collaborative and non-confrontational approach, designed to be a positive experience for all stakeholders and to assist in the establishment of an effective internal responsibility system in targeted workplaces.

The overall goal is to focus on high risk sectors and employers and to work in partnership with employers and employees to enhance their capacity to resolve workplace health and safety matters quickly, efficiently and autonomously. In addition, the intention is not to evaluate or audit the workplace for compliance purpose, but to perform an assessment and to develop a work plan to address any deficiencies.

That, in essence, is the basis of the National Intervention Model for occupational health and safety that is now underway in Canada.

Although still a relatively new approach, the Intervention Model has already been introduced at selected worksites across the country and the preliminary results are very encouraging. Employers are recognizing the value of the national pro-active approach in terms of creating safer, healthier and ultimately, more productive, workplaces. Employees and their representatives are recognizing the value of adopting a pro-active, cooperative approach to resolving workplace health and safety issues within the workplace itself.

The Model offers employers and employees another way to work cooperatively to implement the type of workplace health and safety policies and procedures that make sense for their workplaces. Workplace parties can all focus their efforts where the needs and potential benefits are greatest.

Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

Labour Law Analysis

Strategic Policy and International Labour Affairs

Labour Program, Human Resources and Skills Development Canada

British Columbia: Amendments to the *Employment Standards Regulation*; B.C. Regulation 257/2004 under the *Employment Standards Act*; British Columbia Gazette, Part II, of August 3, 2004

This regulation, approved and ordered on June 10, 2004, has added a new section to the *Employment Standards Regulation* (section 40.2). Farm labour contractors are now excluded, with respect to farm workers they employ, from section 20 of the *Employment Standards Act*, which deals with the manner in which employers must pay wages.

Instead, a new provision in the *Employment Standards Regulation* specifies that a farm labour contractor must pay all wages to farm workers it employs in Canadian dollars and by direct deposit in each employee's account in a savings institution.

Manitoba: *The Non-Smokers Health Protection Act (Various Acts Amended)*; Bill 21 Assented to June 10, 2004

Effective October 1, 2004, Bill 21 brings amendments to *The Non-Smokers Health Protection Act* to broaden the ban on smoking in "enclosed public places," which already included

office buildings, restaurants and health care facilities, and now include licensed premises and any other place prescribed by regulation. In addition, smoking is prohibited in indoor workplaces and in vehicles used in the course of employment while transporting two or more employees. However, there are some exceptions. For example, the boards or proprietors of certain group living facilities, such as personal care homes and other longer-term care facilities, may designate smoking rooms for patients or residents; and guest rooms in hotels may be designated as smoking rooms. The new legislation contains requirements regarding smoking rooms.

Proprietors of places or vehicles in which smoking is prohibited must post no-smoking signs and ensure that there is no smoking in those places or vehicles.

Provisions have been added with respect to inspectors and their powers under *The Non-Smokers Health Protection Act*. An employer is prohibited from taking adverse employment action against an employee because that person provided information in good faith regarding the enforcement of the Act or the regulations. Also, minimum fines are provided for offences under the Act (previously, only maximum fines were provided).

Please note that this article is based on labour legislation adopted or proclaimed before September 7, 2004.

In addition, *The Workplace Safety and Health Act* (WSHA) has been amended to provide that the government may make regulations respecting the prohibition of smoking at workplaces, including deeming a contravention of *The Non-Smokers Health Protection Act* relating to workplaces to be a contravention of the WSHA for the purpose of issuing an improvement order.

New Brunswick: *An Act to Amend the Human Rights Act*; Bill 24 Assented to June 30, 2004

This private member's bill will amend New Brunswick's *Human Rights Act* by adding "social condition" and "political belief or activity" to the other prohibited grounds of discrimination under this statute. Currently, the *Human Rights Act* prohibits discrimination in respect of employment as well as other matters—except on the basis of *bona fide* qualifications—because of race, colour, religion, national origin, ancestry, place of origin, age, physical disability, mental disability, marital status, sexual orientation or sex.

These amendments will come into force on December 31, 2004, unless proclaimed earlier by the Lieutenant-Governor in Council.

New Brunswick: *An Act Respecting Sunday Shopping*; Bill 38 Assented to June 30, 2004

This Bill will amend the *Days of Rest Act* (DRA), the *Employment Standards Act* (ESA) and the *Municipalities Act* to give municipalities the power to regulate Sunday shopping on their territory.

The existing permit system, whereby the Municipal Capital Borrowing Board may grant an exemption from Sunday closing requirements to certain small retail businesses and to areas of New Brunswick that it designates as tourist areas, will be eliminated. The provision dealing with ministerial exemption permits related to festivals will also be repealed.

Municipalities will be given the authority to pass by-laws to permit or prohibit Sunday shopping (except if a Sunday coincides with a prescribed day of rest under the DRA) and to set retail business opening hours, where applicable. If certain conditions are met, the Minister of the Environment and Local Government will be able to issue a permit authorizing the operation of retail businesses on Sunday in a local service district or rural community.

Other amendments to the DRA will exempt retail businesses associated with already exempted sporting, recreational, entertainment or amusement activities from the obligation to close on Sundays or on prescribed days of rest. A similar exemption will apply to businesses and industries that are by necessity engaged in a continuous operation (currently, such a business or industry must obtain a permit from the Municipal Capital Borrowing Board to be exempted from the application of the DRA). Moreover, a person will be allowed to engage, on a Sunday—including on a Sunday that is also a prescribed day of rest—in activities prohibited by the DRA (e.g. carrying on retail business) without the need to obtain prior approval, if the person, due to the dictates of his/her conscience or religion, cannot engage in these activities on another day of the week.

A consequential amendment will be made to section 17.1 of the ESA. As a result, the right to refuse to work on Sunday will apply to employees of a retail business or part of a retail business that is exempted from the application of the DRA solely under a municipal by-law or under a ministerial permit issued to a local service district or rural community.

Finally, an exemption permit issued under the DRA for a designated tourist area will remain in effect for one year after Bill 38 comes into force or, if sooner, until the commencement of a municipal by-law or issuance of a ministerial permit allowing (or prohibiting) Sunday shopping in that area.

Bill 38 will come into effect on a day or days fixed by proclamation.

New Brunswick: *Smoke-Free Places Act*; Bill 75, Assented to June 30, 2004

This Act will come into force, in whole or in part, by proclamation. It will ban smoking in certain places, such as enclosed public places (including bars and restaurants), indoor workplaces and vehicles used in the course of employment, while carrying two or more employees.

In group living facilities, such as nursing homes and group homes, smoking will be permitted in designated smoking rooms, which meet requirements prescribed by regulation.

A manager or employer will be required to ensure that no person smokes in a place, area or vehicle over which he/she has control if this is prohibited by the Act.

Signs indicating that smoking is prohibited or permitted will have to be posted in accordance with the regulations. In addition, no manager or employer may permit any ashtrays or similar receptacle in any place or area under his/her control, in which smoking is prohibited under the Act.

An employer will be required to take reasonable precautions to ensure that the exposure of employees to smoke in a place where smoking is permitted under the Act is minimized.

The Minister of Health and Wellness may appoint or designate inspectors for the purpose of ensuring compliance with the Act and the regulations. Among other things, inspectors will have the power to issue compliance orders.

Those who commit an offence under the Act will be liable to fines.

As a result of an amendment to the *Occupational Health and Safety Act* (OHSA), an employee who has sought the enforcement of the *Smoke-free Places Act* or the regulations or an order made under that Act in relation to a place of employment covered by the OHSA will be protected against any actual or threatened discriminatory action, intimidation or any coercive measure originating from this action by the employee.

Northwest Territories: Proclamation of the *Human Rights Act*; Northwest Territories Gazette, Part II, of July 30, 2004

Sections of the new *Human Rights Act* providing for the establishment of the Human Rights Commission and the appointment of the Director and Deputy Directors of Human Rights, as well as provisions setting their powers, duties and functions, came into effect on January 1, 2004. All other provisions of the Act came into force on July 1, 2004.¹

Northwest Territories: Proclamation of the *Act to Amend the Public Service Act*; Northwest Territories Gazette, Part II, of July 30, 2004

The *Act to Amend the Public Service Act*, which had received Royal Assent on June 13, 2003, came into force on July 1, 2004. This Act has added to the *Public Service Act* new equal pay provisions and related enforcement mechanisms.²

¹ This Act was described in the Spring 2003 issue of the *Workplace Gazette*, Vol. 6, No. 1.

² See *Workplace Gazette*, Vol. 6, No. 3 (Fall 2003).

Nova Scotia: Proclamation of Sections 2 and 15 to 20 of the *Justice Administration Amendment (2004) Act*; Royal Gazette, Part II, of August 20, 2004

Amendments to the *Labour Standards Code*, summarized in the previous issue of the *Workplace Gazette*, came into force on July 30, 2004.

Ontario: *Employment Standards Amendment Act (Family Medical Leave), 2004; Bill 56 Assented to June 29, 2004*

The *Employment Standards Amendment Act (Family Medical Leave), 2004* (the Act) added new family medical leave provisions to the *Employment Standards Act, 2000* (ESA 2000) similar to the compassionate care leave provisions enacted by the federal government. Furthermore, provisions of the Act reflect an Ontario Court of Appeal³ ruling, allowing same-sex couples to marry. Consequently, the Bill will replace the current definition of "spouse" by a broader definition, one that will include less traditional unions such as same-sex unions as well as void or voidable marriages entered into in good faith. The definition of "same-sex partner" will also be repealed and all references to "same-sex partner" and "same-sex partnership status" will be deleted from the ESA 2000.

Family Medical Leave

Bill 56 amended the ESA 2000 to allow an employee to take up to eight weeks of unpaid family medical leave to provide care or support to specified family members if a qualified health practitioner⁴ issues

a certificate stating that this person has a serious medical condition with a significant risk of death occurring within a period of 26 weeks (or such shorter period as may be prescribed). These provisions apply to the following family members: an employee's spouse, a parent, step-parent or foster parent of an employee, a child, step-child, foster-child of the employee or the employee's spouse or any individual prescribed as a family member for the purpose of the new provisions.

The leave, which may be fractioned in segments of at least one week each, must be taken within the 26-week period and end no later than the last day of the week⁵ in which the period expires. However, if the death of the family member occurs earlier, the leave is to end on the last day of the week in which the death occurs. In addition, the leave must be shared where two or more employees wish to avail themselves of these provisions to provide care or support to the same person.

An employee who intends to take family medical leave must advise the employer in writing of this intention. If the employee must begin the leave before advising the employer, he/she has to advise the latter as soon as possible. Upon request, the employee also has to provide his/her employer with a copy of the medical certificate as soon as possible. No length of service is required in order to be eligible for the leave.

In the event the individual for whom the leave is taken does not die within the 26-week period, the Act states explicitly that the employee may take another family medical leave under the same conditions once

³ *Halpern v. Canada (Attorney General)* (2003) 65 O.R. (3d) 161 (C.A.).

⁴ A "qualified health practitioner" means a person who is qualified to practise medicine under the laws of the jurisdiction in which care or treatment is provided to the family member. This definition may be expanded by regulation.

⁵ A "week" means a period of seven consecutive days beginning on Sunday and ending on Saturday.

the period has expired. In order to be entitled to a second leave, a medical certificate must be delivered once more by a qualified health practitioner.

Furthermore, family medical leave is in addition to any emergency leave to which an employee may be entitled under the ESA 2000.⁶

Finally, time spent on leave is to be included in the calculation of the employee's seniority and length of service. The employer must also continue to pay its share of premiums for specified employment benefit plans during the leave.

Commencement

These provisions came into force on the day the Act received Royal Assent (June 29, 2004), except the amendments concerning the expressions "same-sex partner" and "same-sex partnership status," which will come into force by proclamation.

⁶ Emergency leave provisions, which provide for up to 10 days of leave without pay per year in case of illness, death in the family or other family emergencies, apply to employees whose employer regularly employs 50 or more employees.

*For additional information on recently adopted or proposed changes
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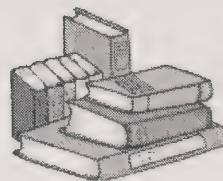
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Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
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Succession Planning

Benest, Frank. "Best Practices for Preparing the Next Generation." *Public Management* 86:5 (June 2004) pp. 23–28.

This American article offers a 39-point menu of best practices by senior city and county managers to promote development of junior managers to higher positions.

The "Personal Outlook" section covers positive senior managerial attitude on grooming aspiring managers.

"Specific Practices" promotes senior management development through learning by doing.

"Structured Programs" presents ideas for formal programs to develop senior managerial talent.

"Other Ideas" concerns career development courses and workshops for future management development.

Byham, William C., Audrey B. Smith and Matthew J. Paese. **Grow Your Own Leaders: How to Identify, Develop, and Retain Leadership Talent.** Upper Saddle River, N.J., Financial Times Prentice Hall, c2002.

HD38.2 B93

This book describes acceleration pools as a response to the failure of traditional succession planning. Downsizing has resulted in a shortage of high-potential leadership candidates, and managers often lack opportunities for development. Traditional replacement planning can require a large time investment as executives complete and discuss replacement-planning forms, while studies show that less than 30 per cent of open positions are filled through this process. In acceleration pools individual

development needs are identified through "executive descriptors." An Executive Resource Board assigns high-potential candidates to stretch jobs and task forces and selects individuals for participation in university and company programs that accelerate individual development. Pool members have an assigned mentor. Board members work with heads of organizational units and pool members to review progress and consider ways to speed development.

Fulmer, Robert M. and Jay A. Conger. **Growing Your Company's Leaders: How Great Organizations Use Succession Management to Sustain Competitive Advantage**. New York: AMACOM, c2004.
HD38.2 F84

This book, based on the authors' study of six global companies and sixteen other high-profile organizations which they identified as leaders in succession planning, explores the use of succession planning in these organizations as a source of strategic advantage. Chapters examine the essential elements of a best practice succession plan; the various "owners" of

succession management in the organization; the identification of talent using competency models; linking succession with talent development; and assessing the succession planning scheme on an ongoing, cyclical basis. The closing chapter looks at current trends most likely to promote or hinder future succession planning.

High-Impact Succession Management: From Succession Planning to Strategic Executive Talent Management. Washington, D.C.: Corporate Leadership Council, c2003.
US6 CL17 03H33

This book examines four key imperatives for succession planning and effective strategic responses exemplified in a number of large American firms. Under the first imperative, Safeguarding Critical Business Capabilities, one company conducts an executive talent review while another does needs-based succession planning. Under Accelerating Executive Development, companies use

experience-based succession management, "non-obvious" development moves, and a cross-business development forum. Under Overcoming New Hire Derailers, companies use executive transition management and executive career launch programs. Under Maximizing Strategic Talent Leverage, a strategic human capital review is used to maintain a continuous alignment of talent with evolving business priorities.

Hirsh, W. Succession Planning Demystified. Brighton, England: Institute for Employment Studies, 2000.
HF5549 A3 I38 no.372

This British book provides a practical overview of the kind of succession planning typical of large organizations. The author describes the elements and processes of succession planning, and examines connections with human resources strategy, including executive resourcing, human resource planning, identifi-

cation of future skill needs, and corporate culture. Integration of succession and practical human resources issues such as assessment, job filling, and talent development is discussed. The final chapter summarizes how succession planning has adapted to changing needs and how its effectiveness can be assessed.

Rothwell, William J. **Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within.** 2nd ed. New York: AMACOM, c2001.
HD57.7 R67 2001

This work is designed for those who must establish, refresh or review a succession planning program. Part I describes different approaches to succession planning, key influencing trends, common problems with various approaches to succession planning and their solutions, and the use of competencies and values clarification. Part II explains how to

make the case for change in succession planning practices and prepare an action plan. Part III focuses on assessment of work requirements in key positions, individual performance, future work requirements, and future individual potential. Part IV examines alternatives to replacement from within the organization, and evaluation of succession planning programs.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette/Gazette du travail.*
2. *Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY and TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources and Skills
Development Canada

Mandatory Retirement

Fifty Years Ago...

The *Labour Gazette* reported that attention had frequently been called to the wastage, both economical and social, caused by the compulsory retirement of employees at a fixed age, whether or not they were still able to perform their duties capably... Compulsory retirement may have the effect of throwing the worker into the labour market at an age when it is difficult to find a new job, even though his/her skills and experience would still have been extremely useful to the employer, either in the regular job or in work of a somewhat less arduous nature.

The study of retirement provisions in 214 plans indicated that most formal pension plans did not constitute a barrier to the retention in employment of the efficient older worker. The provisions of the majority of the plans were not rigid and inflexible but did allow scope for the exercise of a considerable amount of flexibility in retirement policy. Employees were allowed to defer retirement beyond the "normal" retirement age. The continued existence of a comparatively early "normal" retirement age was obviously important in that it preserves the worker's freedom to retire if he/she wishes to do so without financial penalties.

Today

Governments are revisiting issues such as mandatory retirement, early retirement, and phased retirement for publicly funded pension plans. In light of skills shortages and a smaller labour force, public policy and programs are beginning to emphasize the benefits of deferred retirement and phased retirement. Currently, early retirement is still available for those who wish to leave the workforce prior to the normal retirement age. Funding and liability issues for these public plans need to be studied in the context of longer life expectancies for both men and women. Early retirement with bridging provisions has been used extensively in cases of workforce reductions. These measures have helped to reduce the number of workers laid off and searching for work at a time when, as older workers, they experience various barriers to employment, including potential discrimination.

Currently, deferred retirement beyond the normal retirement age continues to be quite prevalent, as this provision is reported in almost half (42 per cent) of major collective agreements (representing 56 per cent of employees) in the Workplace Information Directorate's data base.

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A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

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Quarterly

Volume 7, No. 4

Winter 2004

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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Winter 2004 issue includes third quarter data for 2004 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the third quarter 2004 and information on work stoppages for the third quarter of 2004. An entry concerning the length of collective agreements is presented. An overview of the grievance settlement system is highlighted and innovative practices in the workplace resulting from collective bargaining are summarized.

The project list for the Labour-Management Partnerships Program is updated and a pilot project in Halifax on an alternative dispute resolution is described. L. Morin and S. Renaud report on corporate university basics. A labour technical assistance program in Costa Rica is highlighted.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on employee retention.

Finally, Yesterday and Today looks at collective agreement durations.

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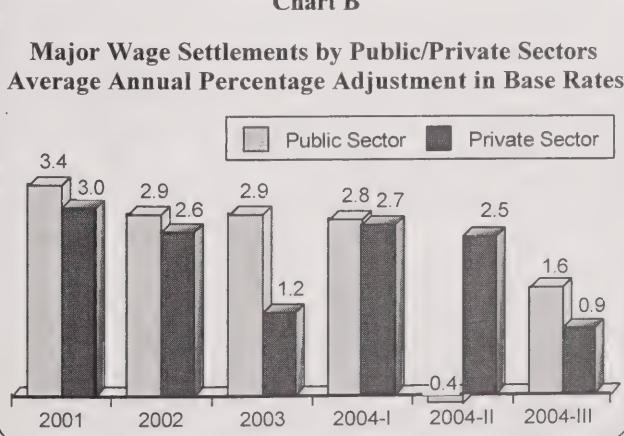
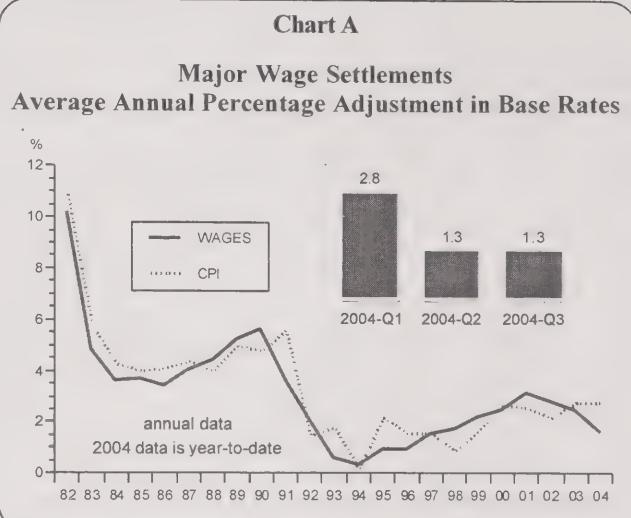
MAJOR WAGE SETTLEMENTS*

Third Quarter 2004

Summary

Major collective bargaining settlements reached in the **third quarter 2004** provided base rate wage adjustments averaging **1.3 per cent** annually over the contract term, the same as in the second quarter, but down from the 2.6 per cent annual figure for 2003 as a whole. The results for the quarter are based on a review of 66 settlements reached and cover 159,190 employees.

When the parties to these settlements previously negotiated, contract duration averaged 31.8 months and the resulting wage adjustments averaged 2.9 per cent, compared to the 1.3 per cent in their current round of settlements and average contract duration of 37.8 months.



Public and Private Sectors

Public-sector wage adjustments averaged **1.6 per cent** for 84,270 employees in 36 settlements. The **private sector** average for 74,920 employees in 30 agreements was lower at **0.9 per cent**.

The relatively low public-sector adjustment was due in large part to two new settlements with the Health Employers Association of B.C.; the 39,070 nurses and paramedics covered in these two contracts are subject to a wage freeze. The low private-sector wage adjustment was due mainly to several Air Canada and Air

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Canada Jazz agreements with wage adjustments varying from cuts of 10 per cent, to wage freezes.

Excluding the two B.C. Health Employers Association agreement, the remaining 34 major settlements in the public sector averaged increases of 3.1 per cent. Excluding the five Air Canada agreements, the remaining 25 major settlements in the private sector averaged increases of 2.7 per cent. Finally, excluding both the B.C. Health Employers Association agreements and the Air Canada agreements, the remaining 59 major settlements in all industries across Canada averaged increases of 2.9 per cent (compared to the current average of 1.3 per cent).

Jurisdictions

On a jurisdictional basis, **Nova Scotia** posted the largest average increase in the third quarter 2004, at **5.1 per cent**. The smallest average wage adjustment was recorded in the **Federal jurisdiction** at **-0.1 per cent** (due to Air Canada); the second lowest was **British Columbia** at **0.3 per cent** (due to the Health Employers Association of B.C.).

Wage adjustments in the **Prairie Provinces** averaged **2.5 per cent**; this figure includes Manitoba at 3.3 per cent, Saskatchewan at 1.7 per cent, and Alberta at 2.4 per cent. In the **Atlantic Provinces**, wage increases averaged **4.5 per cent**, with Newfoundland and Labrador at 2.5 per cent; Nova Scotia at 5.1 per cent, and New Brunswick at 4.5 per cent (with a single agreement in each jurisdiction). In **Quebec**, wage increases averaged **3.2 per cent** for only 1,000 employees in two agreements. There were 27 agreements in **Ontario** providing 30,760 employees with wage increases averaging **3.1 per cent**. There were also two

Multiprovince agreements providing 3,600 employees with wage gains averaging **2.7 per cent**.

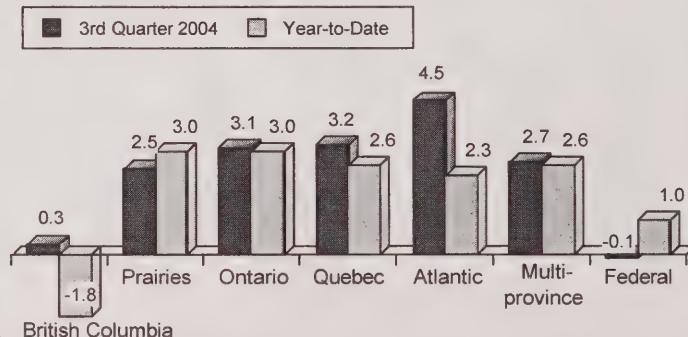
Industry

On an industry basis, average wage adjustments in September 2004 ranged from a low of **1.1 per cent** in **education, health and social services**, to a high of **4.1 per cent** in the **finance and professional services** sector (consisting of a single agreement, Initial Security Services in Manitoba).

The **manufacturing** sector, had the second largest wage increase at **4.0 per cent**. In the **utilities** sector, two agreements provided 1,560 employees with wage increases averaging **3.3 per cent**. In the **transportation** sector, wage increases averaged **3.0 per cent** for 4,200 workers in a single agreement. In the **information and culture** sector, a single agreement provided 4,500 employees with a wage increase averaging **2.9 per cent**. and in **construction**, another single agreement provided 2,000 workers with a wage gain of **2.7 per cent**. In **primary industries**, wage increases averaged **2.5 per cent** (single agreement) and in **public administration**, **1.7 per cent** (single agreement).

Chart C

Major Wage Settlements by Jurisdiction Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Distribution by Size of Wage Increase

The incidence of wage freezes and wage rollbacks had declined since 1994. However, in 2003, there was a slight increase in the incidence of wage freezes and wage rollbacks; in 2003, 3.5 per cent of all employees received wage rollbacks in two agreements and 7.1 per cent of employees in ten agreements were subject to a wage freeze. In 2004, from January through September, 12.2 per cent of employees have received a wage rollback in five agreements and 7.9 per cent of employees in 12 agreements were subject to a wage freeze.

In the third quarter 2004, 23,350 employees representing 16.6 per cent of employees in 66 settlements contained a wage rollback; 41,410 employees representing 26.0 per cent of employees, were subject to a wage freeze.

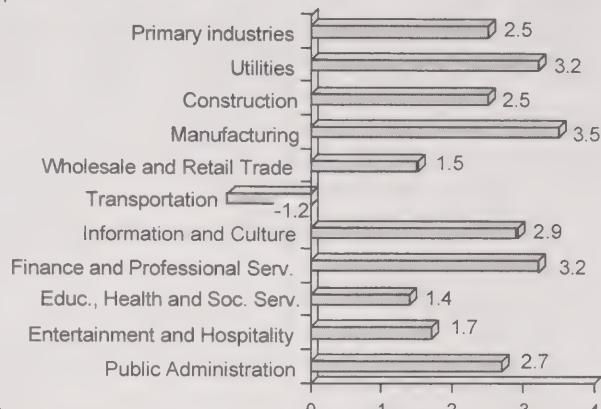
Wage increases between 0.1 and 1.9 per cent were received by 5.2 per cent of employees.

For 42.4 per cent of employees in the third quarter 2004, wage increases were in the 2.0 to 3.9 per cent range, compared to 68.3 per cent of employees receiving increases in the same range last year.

At the upper end of the wage adjustment scale, 9.7 per cent of employees received wage increases of 4.0 per cent or more, compared to 8.7 per cent of employees in 2003 settlements.

Chart D

Major Wage Settlements by Industry Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate.

Distribution of Agreements and Employees by Range of Wage Adjustments

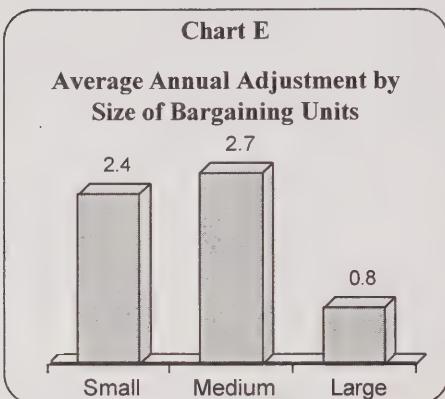
Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Less than 0%	3	4.5	26,350	16.6
0% (no increase)	5	7.6	41,410	26.0
Over 0% to 0.9%	1	1.5	650	0.4
1.0% to 1.9%	5	7.6	7,580	4.8
2.0% to 2.9%	23	34.8	48,790	30.6
3.0% to 3.9%	20	30.3	18,850	11.8
4.0% to 4.9%	8	12.1	12,460	7.8
5.0% to 5.9%	1	1.5	3,100	1.9
ALL LEVELS	66	100.0	159,190	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

Wage Data for the Third Quarter 2004 for Small, Medium and Large Bargaining Units

Among the 94 collective bargaining settlements reached in the third quarter of 2004, 28 settlements were in small bargaining units (between 100 and 499 employees), 47 were in medium bargaining units (500 to 1,999 employees), and 19 were in large bargaining units with 2,000 employees or more.



SMALL bargaining units reported an average increase of **2.4 per cent**. **Public sector** settlements provided an average increase of **2.7 per cent**, higher than the **private sector** wage adjustment of **2.3 per cent**. On an industry basis, the **information and culture** and the **education, health and social services** sectors had the highest wage adjustments at **2.7 per cent** while the **transportation** sector reported the lowest increase at **0.7 per cent**. On a jurisdictional basis, average increases ranged from a high of **3.0 per cent** in **Ontario** (and for one agreement in the **Multiprovince** category) to a low of **1.5 per cent** in **British Columbia**.

MEDIUM bargaining units reported a third quarter average wage increase of **2.7 per cent**. **Public sector** settlements resulted in an average increase of **2.9 per cent**, compared to the **private sector** figure of **2.5 per cent**. On an industry

basis, the **utilities** and the **manufacturing** sectors had the highest wage adjustments at **3.3 per cent** while the **entertainment and hospitality** sector reported the lowest increase at **0.7 per cent**. On a jurisdictional basis, average increases ranged from a high of **3.2 per cent** in **Quebec** to a low of **1.5 per cent** in **British Columbia**.

LARGE bargaining units reported a wage increase of **0.8 per cent**. Settlements in the **public sector** provided an average adjustment of **1.1 per cent** while the **private sector** resulted in an average increase of **0.5 per cent**. On an industry basis, the **manufacturing** sector had the highest wage adjustment at **4.0 per cent** while the **transportation** sector reported the lowest adjustment at **-2.2 per cent**. This decrease is mainly caused by wage reductions negotiated in three agreements involving 26 350 employees of Air Canada in the month of July. On a jurisdictional basis, average adjustments ranged from a high of **4.7 per cent** in the **Atlantic Provinces** to a low of **-0.6 per cent** in the **Federal jurisdiction**.

Chart F
Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors

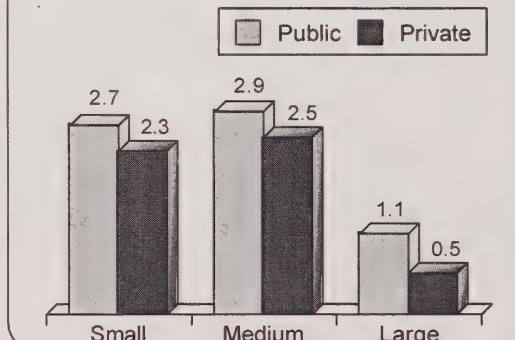
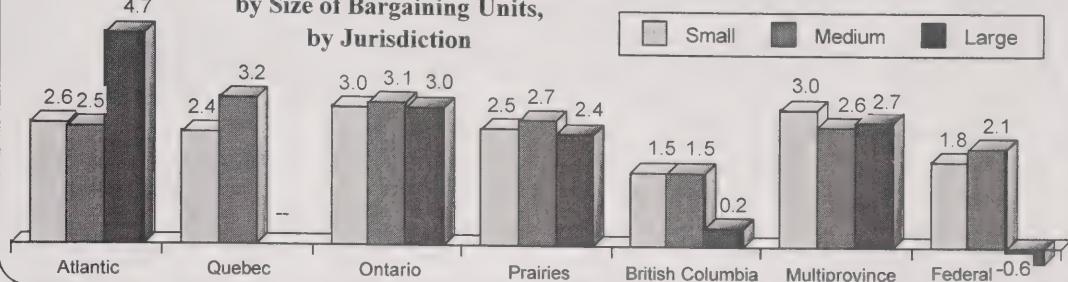


Chart G

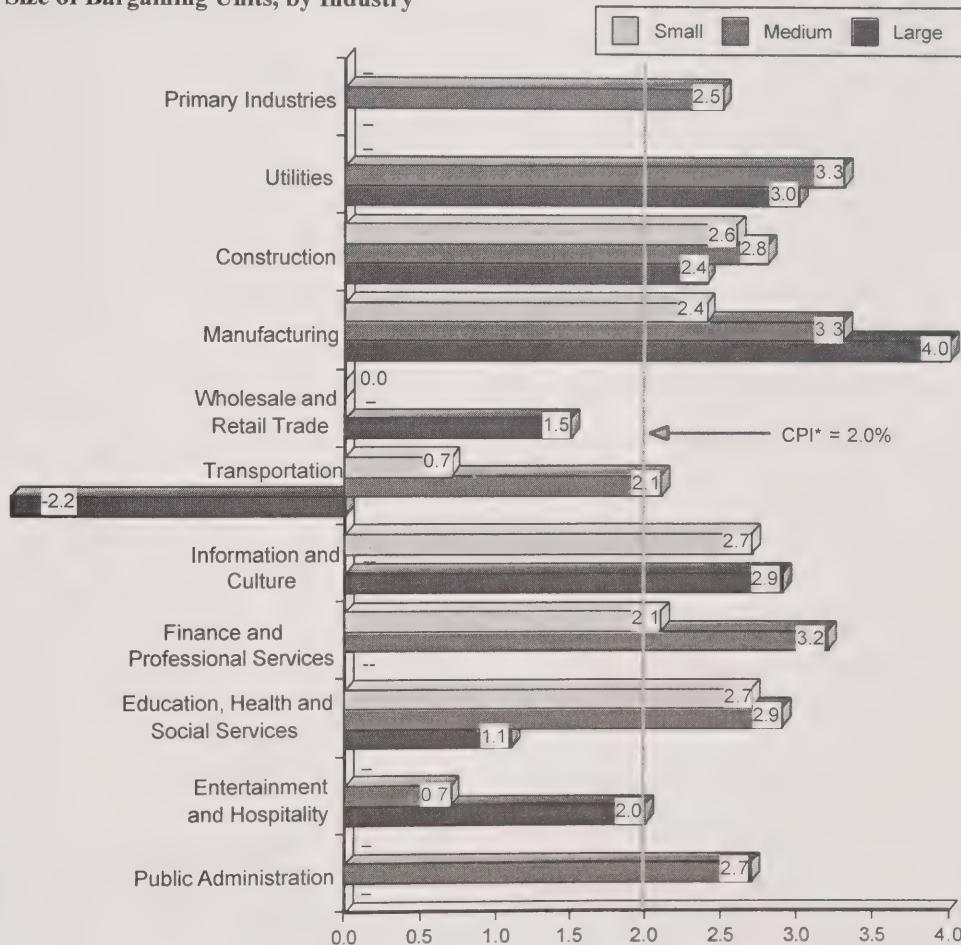
**Average Annual Percentage Adjustment
by Size of Bargaining Units,
by Jurisdiction**



Source: Workplace Information Directorate.

Chart H

**Average Annual Percentage Adjustment by
Size of Bargaining Units, by Industry**



Source: Workplace Information Directorate.

Major Settlements Reached in the Third Quarter 2004

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (1 agreement)	1,000	2.5	4.6	36.0	
Iron Ore Company of Canada, production employees, Labrador City, N.L.	1,000	2.5*	4.6	36	2007-02-28
Utilities (3 agreements)	4,040	3.1	3.2	36.0	
Bruce Power LP (General Partner Bruce Power Inc.), trades employees, province-wide, Ont.	2,480	3.0*	3.0	36	2006-12-31
Epcor Utilities Inc., office employees, Edmonton, Alta.	910	3.3	3.5	36	2006-12-23
Epcor Utilities Inc., utility employees, Edmonton, Alta.	650	3.3	3.5	36	2006-12-23
Construction (6 agreements)	13,610	2.5	1.6	42.2	
Canadian Automatic Sprinkler Association, plumbers and pipefitters, Canada-wide	1,600	2.6	2.6	36	2007-04-30
Construction Labour Relations-Alberta Association, plumbers and pipefitters, province-wide, Alta.	5,000	2.2	0.0	48	2007-04-30
National Capital Road Builders Association, labourers, Ottawa, Ont.	1,210	3.1	3.4	36	2007-04-30
Ontario Painting Contractors Association, painters, province-wide, Ont.	3,000	2.4	2.0	36	2007-04-30
Pipe Line Contractors Association of Canada, labourers, Canada-wide	2,000	2.7	2.2	48	2007-04-30
Terrazzo, Tile and Marble Guild of Ontario Inc., masonry employees, province-wide, Ont.	800	2.7	3.1	36	2007-04-30
Manufacturing (8 agreements)	7,770	3.5	3.8	35.6	
Aciers Canam (Division Le Groupe Canam Manac Inc.), production employees, St-Gédéon-de-Beauce, Que.	500	3.0	3.0	36	2007-01-31
Algoma Steel Inc., administrative services employees, Sault Ste. Marie, Ont.	500	4.3 *	6.2	36	2007-07-31
Algoma Steel Inc., production employees, Sault Ste. Marie, Ont.	2,500	4.0 *	4.5	36	2007-07-31
CAMI Automotive Inc., plant and maintenance employees, Ingersoll, Ont.	1,770	4.2 *	3.9	36	2007-09-16
SNC Technologies inc., production employees, Le Gardeur, Que.	500	3.5	4.5	48	2008-05-31
Siemens Automotive Inc., North American Motor Operations Division, plant and maintenance employees, London, Ont.	530	1.6*	0.8	36	2007-07-15
TDS Automotive, production employees, Whitby, Ont.	550	4.4	8.0	36	2007-07-09
Uniroyal Goodrich Tire Manufacturing, production employees, Kitchener, Ont.	920	1.4*	0.1	26	2006-07-22

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Wholesale and Retail Trade (1 agreement)	4,000	1.5	0.0	75.0	
Westfair Foods Ltd., retail employees, province-wide, B.C.	4,000	1.5	0.0	75	2009-07-31
Transportation (12 agreements)	34,500	-1.2	-2.9	27.1	
Air Canada Regional Inc., aircraft maintenance employees, system-wide	870	0.0	0.0	24	2006-07-31
Air Canada, aircraft maintenance employees, system-wide	13,040	-1.2	-2.4	25	2006-06-30
Air Canada, flight attendants, system-wide	7,110	-4.9	-10.0	25	2006-06-29
Air Canada, passenger agents, system-wide	6,200	-1.3	-2.5	24	2006-06-04
CANPAR Transport Ltd., truck drivers, system-wide	1,370	3.0*	3.0	60	2009-10-31
DHL Express (Canada) Ltd., truck drivers, province-wide, B.C.	810	3.0	3.0	24	2005-12-31
Globeground North America, Vancouver Airport, baggage handlers and ramp attendants, Vancouver Int'l. Airport, B.C.	570	0.0	0.0	12	2005-08-31
Government of Canada, ship's officers, Canada-wide	950	2.5	2.5	36	2006-03-31
Jazz Air Inc., doing business as Air Canada Jazz, customer service employees, system-wide	900	0.0	0.0	24	2006-07-31
Via Rail Canada Inc., non-operating employees, system-wide	1,110	3.0	3.0	36	2006-12-31
Via Rail Canada Inc., on-board services employees, system-wide	860	3.0	3.0	36	2006-12-31
Via Rail Canada Inc., shopcraft employees, system-wide	710	3.0	3.0	36	2006-12-31
Information and Culture (2 agreements)	11,690	2.9	2.9	43.4	
Aliant Telecom Inc., office employees and technicians, province-wide, N.B., N.L., N.S. and P.E.I.	4,500	2.9	3.0	36	2007-12-31
Bell Canada, craft and service employees, province-wide, Ont. and Que.	7,190	2.9 *	2.8	48	2007-11-30
Finance and Professional Services (2 agreements)	1,190	3.2	3.9	30.6	
Initial Security Services, security guards, province-wide, Man.	650	4.1	5.1	36	2007-06-30
National Research Council of Canada, support employees, Canada-wide	540	2.2	2.5	24	2005-04-30
Education, Health and Social Services (23 agreements)	71,810	1.4	1.8	29.8	
Black Gold Regional Division No. 18, elementary and secondary teachers, Nisku, Alta.	510	2.0	2.0	12	2004-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Board of Governors of Ryerson Polytechnic University, office employees, Toronto, Ont.	690	2.7	2.5	36	2007-06-30
Board of Trustees of Edmonton School District No. 7, elementary and secondary teachers, Edmonton, Alta.	4,560	2.3	2.0	36	2006-08-31
Board of Trustees of the Calgary Board of Education, elementary and secondary teachers, Calgary, Alta.	5,680	2.5	2.0	48	2007-08-31
Brock University, teaching assistants, St. Catharines, Ont.	700	4.7	5.0	36	2007-06-30
Capital District Health Authority, health and social care professional employees, Halifax and area, N.S.	3,100	5.1	5.1	36	2006-10-31
Carleton University, support employees, Ottawa, Ont.	700	3.0	3.0	36	2007-06-30
Central Care Corporation Limited (Nursing Home), non-medical employees, Sarnia, Ont.	600	2.1	2.9	39	2007-03-31
Chinook's Edge School Division No. 73, elementary and secondary teachers, Red Deer, Alta.	640	2.3	2.3	12	2004-08-31
Conseil des écoles catholiques de langue française du Centre-Est, elementary teachers, Ottawa and area, Ont.	750	1.9	1.8	24	2006-08-31
Conseil scolaire catholique de district des Grandes Rivières, elementary and secondary teachers, Timmins, Ont.	750	2.0	2.0	24	2006-08-31
Conseil scolaire de district catholique de l'Est Ontarien, elementary teachers, L'Orignal, Ont.	630	2.0	2.0	24	2006-08-31
Government of New Brunswick, nurses, province-wide, N.B.	4,390	4.5	11.1	48	2007-12-31
Hamilton-Wentworth District School Board, custodial employees, Hamilton, Ont.	550	2.3	3.0	36	2006-08-31
Health Employers Association of British Columbia, nurses, province-wide, B.C.	26,070	0.0	0.0	24	2006-03-31
Health Employers Association of British Columbia, para-medical professional employees, province-wide, B.C.	13,000	0.0	0.0	24	2006-03-31
Louis Riel School Division, elementary and secondary teachers, Winnipeg, Man.	1,000	3.0	3.0	24	2006-06-30
Ottawa Hospital, non-medical employees, Ottawa, Ont.	3,000	2.8	2.5	36	2004-09-28
St. James-Assiniboia School Division No. 2, elementary and secondary teachers, St. James-Assiniboia, Man.	610	3.0	3.0	24	2005-06-30
Toronto District School Board, trades employees, Toronto, Ont.	700	3.0	3.0	12	2004-08-31
University of Western Ontario, teaching assistants, London, Ont.	1,400	4.1	3.0	24	2006-08-31
University of Windsor, professors and librarians, Windsor, Ont.	880	3.4	3.0	48	2008-06-30
University of Windsor, teaching assistants, Windsor, Ont.	900	3.0	3.0	36	2007-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Entertainment and Hospitality (2 agreements)	2,850	1.7	1.5	36.0	
Cara Operations Ltd., food service employees, Vancouver Int'l. Airport, B.C.	650	0.7	0.0	36	2007-07-31
Pacific National Exhibition, service and maintenance employees, Vancouver, B.C.	2,200	2.0	2.0	36	2006-12-31
Public Administration (6 agreements)	6,730	2.7	2.4	33.9	
City of Saskatoon, inside and outside employees, Saskatoon, Sask.	1,380	1.7*	1.7	36	2006-12-31
District of Saanich, inside and outside employees, Saanich, B.C.	1,100	2.0*	2.0	24	2006-12-31
London Police Services Board, police officers, London, Ont.	510	3.9	4.3	24	2005-12-31
Regional Municipality of Durham Police Services Board, police officers, Oshawa, Ont.	840	3.9	4.3	24	2005-12-31
Regional Municipality of Durham, inside employees, Whitby, Ont.	1,300	2.2	0.0	48	2008-03-31
Regional Municipality of Peel Police Services Board, police officers, Brampton, Ont.	1,600	3.4	3.5	36	2006-12-31
Agreements with COLA (11 agreements)	20,740	2.9*	3.0	40.7	
Agreements without COLA (55 agreements)	138,450	1.0	0.6	32.1	
All Agreements (66 agreements)	159,190	1.3	1.0	33.2	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate.

Calendars of Collective Agreements Expiries and Reopeners

*Coming soon, the 2005 Calendar listings covering
500 or more employees.*

*The 2004 calendars are still available
on the Workplace Information Directorate Web site at*

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

Table 1
Major Wage Settlements—All Sectors
by Year and Quarter

	<u>Number of Agreements</u>	<u>Number of Employees</u>	<u>Duration in Months</u>	<u>% Wage Adjustment</u>
YEAR				
1985	516	838,620	24.5	3.7
1986	553	1,121,456	25.6	3.4
1987	478	1,111,330	29.9	4.0
1988	542	1,182,742	25.3	4.4
1989	453	1,001,786	29.6	5.2
1990	507	1,146,353	28.4	5.6
1991	547	1,345,643	18.2	3.6
1992	496	1,306,765	24.3	2.1
1993	518	1,412,471	23.9	0.7
1994	434	942,583	28.4	0.3
1995	402	908,803	32.8	0.9
1996	378	810,415	32.6	0.9
1997	379	692,219	33.9	1.5
1998	412	938,310	31.9	1.7
1999	379	828,140	36.0	2.2
2000	406	1,081,030	34.7	2.5
2001	428	990,070	33.4	3.2
2002	361	984,610	29.5	2.8
2003	344	617,360	34.5	2.5
2004*	269	676,690	34.2	1.6
* Year-to-Date				
QUARTER				
2003	I	88	108,150	32.0
	II	130	235,120	29.8
	III	47	136,240	42.3
	IV	79	137,850	37.0
2004	I	73	140,200	28.8
	II	130	377,300	36.6
	III	66	159,190	33.2

Table 2
Major Wage Settlements—Public and Private Sectors
by Year and Quarter

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR								
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	302	917,090	33.5	2.5	104	163,940	41.5	2.4
2001	258	692,280	32.0	3.4	170	297,790	36.5	3.0
2002	249	760,060	26.2	2.9	112	224,550	40.6	2.6
2003	248	469,350	33.1	2.9	96	148,010	39.0	1.2
2004*	145	343,810	30.4	1.1	124	332,880	38.1	2.2
* Year-to-Date								
QUARTER								
2003 I	64	81,690	29.1	2.9	24	26,460	40.8	2.4
II	93	172,060	29.8	3.1	37	63,060	29.9	0.3
III	34	121,690	41.7	3.2	13	14,550	47.5	2.3
IV	57	93,910	31.7	2.2	22	43,940	48.2	1.6
2004 I	51	101,530	26.4	2.8	22	38,670	35.2	2.7
II	58	158,010	32.9	-0.3	72	219,290	39.2	2.5
III	36	84,270	30.5	1.6	30	74,920	36.2	0.9

Table 3

**Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter**

	2002	2003	2003–2004			
			4	1	2	3
	%	%	%	%	%	%
Canada	2.8	2.5	2.0	2.8	1.3	1.3
Atlantic	4.1	3.1	2.7	3.3	1.3	4.5
Newfoundland and Labrador	6.6	3.1	2.2	-	0.9	2.5
Prince Edward Island	4.9	3.2	3.0	3.2	2.0	-
Nova Scotia	2.4	3.3	2.0	3.3	4.0	5.1
New Brunswick	2.7	2.8	2.9	3.4	2.1	4.5
Quebec	2.1	2.2	2.3	3.0	2.5	3.2
Ontario	3.0	3.3	2.9	3.1	2.9	3.1
Prairies	4.2	2.9	2.9	3.6	2.8	2.5
Manitoba	4.0	2.8	2.7	3.2	2.7	3.3
Saskatchewan	4.0	3.0	-	-	1.4	1.7
Alberta	4.5	3.0	3.6	3.7	2.9	2.4
British Columbia	1.9	1.3	0.8	-0.9	-3.0	0.3
Territories	3.0	2.5	2.5	-	3.0	-
Multiprovince	4.3	2.4	-	-	2.3	2.7
Federal	2.8	1.8	3.1	3.1	2.4	0.0

Table 4

Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004		
			4	1	2
			%	%	%
PUBLIC SECTOR					
Canada	2.9	2.9	2.2	2.8	-0.3
Atlantic	4.3	3.2	2.7	3.8	1.2
Newfoundland and Labrador	7.2	4.5	-	-	0.9
Prince Edward Island	4.9	3.0	3.0	3.2	2.0
Nova Scotia	2.3	3.4	-	3.9	4.2
New Brunswick	3.0	2.3	2.3	-	-
Quebec	2.0	2.1	2.1	3.1	3.1
Ontario	2.9	3.6	3.8	3.7	3.4
Prairies	4.8	3.2	2.9	3.6	3.1
Manitoba	4.6	3.0	2.7	3.2	3.4
Saskatchewan	4.5	3.4	-	-	0.5
Alberta	5.2	3.5	3.6	3.7	3.2
British Columbia	2.2	1.2	0.5	-1.1	-4.5
Territories	3.0	2.5	2.5	-	3.0
Multiprovince	-	-	-	-	-
Federal	2.9	3.0	4.5	3.3	2.4
PRIVATE SECTOR					
Canada	2.6	1.2	1.6	2.7	2.5
Atlantic	2.7	2.9	2.6	2.4	3.1
Newfoundland and Labrador	3.0	2.5	2.2	-	-
Prince Edward Island	-	3.8	-	-	-
Nova Scotia	4.0	2.7	2.0	1.3	3.6
New Brunswick	1.4	3.7	3.5	3.4	2.1
Quebec	2.4	2.6	2.6	2.8	2.5
Ontario	3.3	1.9	1.3	2.4	2.8
Prairies	1.5	1.4	-	4.0	2.2
Manitoba	1.3	0.6	-	-	1.3
Saskatchewan	1.6	2.6	-	-	2.5
Alberta	1.6	1.6	-	4.0	2.4
British Columbia	1.4	1.4	1.4	4.0	1.7
Territories	-	-	-	-	-
Multiprovince	4.3	2.4	-	-	2.3
Federal	2.7	-0.1	2.7	2.8	2.4

Table 5
**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	4	1	2	2003–2004
			4	1	2	3
All Industries						
Number of Agreements	361	344	79	73	130	66
Number of Employees	984,610	617,360	137,850	140,200	377,300	159,190
Duration in Months	29.5	34.5	37.0	28.8	36.6	33.2
% Wage Adjustment	2.8	2.5	2.0	2.8	1.3	1.3
Primary Industries						
Number of Agreements	3	2	-	3	1	1
Number of Employees	1,880	1,410	-	3,380	660	1,000
Duration in Months	36.5	36.0	-	36.0	36.0	36.0
% Wage Adjustment	2.1	2.7	-	3.1	2.8	2.5
Utilities						
Number of Agreements	15	13	2	4	1	3
Number of Employees	19,130	25,850	3,510	4,580	900	4,040
Duration in Months	33.0	33.8	36.0	16.0	52.0	36.0
% Wage Adjustment	2.4	2.4	2.6	3.2	3.6	3.1
Construction						
Number of Agreements	12	5	2	2	39	6
Number of Employees	23,660	3,110	1,200	15,200	171,580	13,610
Duration in Months	47.4	44.2	48.0	36.0	36.9	42.2
% Wage Adjustment	1.2	2.7	3.5	2.6	2.7	2.5
Manufacturing						
Number of Agreements	49	46	8	10	18	8
Number of Employees	90,530	41,860	5,830	9,900	28,640	7,770
Duration in Months	38.2	41.1	41.2	32.7	53.1	35.6
% Wage Adjustment	3.5	2.4	2.6	2.3	1.8	3.5
Wholesale and Retail Trade						
Number of Agreements	19	15	7	1	3	1
Number of Employees	51,720	47,230	33,600	950	10,280	4,000
Duration in Months	45.2	50.7	49.4	36.0	41.4	75.0
% Wage Adjustment	1.8	1.3	1.3	2.7	1.6	1.5

Table 5 (continued)

**Major Wage Settlements—Industry Division
by Year and Quarter**

	2002	2003	4	1	2	3	2003–2004
Transportation							
Number of Agreements	12	27	7	4	7	12	
Number of Employees	29,580	114,180	9,140	14,920	5,220	34,500	
Duration in Months	31.5	37.1	40.2	42.8	37.0	27.1	
% Wage Adjustment	2.8	1.7	2.5	3.1	2.8	-1.1	
Information and Culture							
Number of Agreements	8	10	4	1	1	2	
Number of Employees	23,160	10,590	2770	1,100	1,460	11,690	
Duration in Months	34.6	39.8	39.9	36.0	24.0	43.4	
% Wage Adjustment	3.0	2.2	2.8	2.7	2.2	2.9	
Finance and Professional Services							
Number of Agreements	8	6	2	-	1	2	
Number of Employees	12,560	5,030	1,250	-	740	1,190	
Duration in Months	55.2	39.3	56.2	-	28.0	30.6	
% Wage Adjustment	2.0	2.6	3.3	-	0.0	3.2	
Education, Health and Social Services							
Number of Agreements	167	163	27	31	44	23	
Number of Employees	490,620	232,220	30,420	61,040	131,980	71,810	
Duration in Months	23.6	26.8	29.7	27.1	30.8	29.8	
% Wage Adjustment	3.0	3.4	3.6	2.4	-0.8	1.4	
Entertainment and Hospitality							
Number of Agreements	12	8	2	-	2	2	
Number of Employees	10,400	7,270	1,600	-	5,150	2,850	
Duration in Months	43.6	42.2	48.0	-	44.2	36.0	
% Wage Adjustment	2.5	2.6	2.6	-	3.2	1.7	
Public Administration							
Number of Agreements	56	49	18	17	13	6	
Number of Employees	231,370	128,610	48,530	29,130	20,690	6,730	
Duration in Months	30.0	37.0	30.7	20.6	44.7	33.9	
% Wage Adjustment	2.6	2.3	1.2	3.4	2.1	2.7	

Table 6
**Major Wage Settlements—Public Sector Breakdown
by Year and Quarter**

	2002	2003	2003–2004			
			4	1	2	3
Federal Administration						
Number of Agreements	11	4	-	3	2	2
Number of Employees	54,800	20,650	-	2,610	1,650	1,490
Duration in Months	34.6	33.2	-	35.0	43.3	31.7
% Wage Adjustment	2.9	3.1	-	3.3	2.5	2.4
Federal Crown Corporations						
Number of Agreements	4	7	2	-	1	3
Number of Employees	5,390	60,650	2,150	-	1,460	2,680
Duration in Months	36.3	45.3	27.1	-	24.0	36.0
% Wage Adjustment	2.7	3.0	3.9	-	2.2	3.0
Provincial Administration						
Number of Agreements	24	24	14	6	6	-
Number of Employees	135,570	62,730	43,710	14,720	12,460	-
Duration in Months	27.0	31.4	29.8	12.0	42.4	-
% Wage Adjustment	2.3	1.7	1.0	3.5	2.2	-
Local Administration						
Number of Agreements	31	40	10	7	8	6
Number of Employees	62,230	74,450	12,900	8,940	12,640	6,730
Duration in Months	34.5	43.7	41.8	33.3	47.2	33.9
% Wage Adjustment	3.0	2.7	2.7	3.2	2.4	2.7
Education, Health and Welfare						
Number of Agreements	168	163	29	31	41	23
Number of Employees	490,290	227,240	31,640	62,950	129,800	71,810
Duration in Months	23.7	26.7	30.2	26.3	30.6	29.8
% Wage Adjustment	3.0	3.4	3.6	2.4	-0.8	1.4
Public Utilities						
Number of Agreements	11	10	2	4	-	2
Number of Employees	11,780	23,630	3,510	12,310	-	1,560
Duration in Months	32.6	35.1	36.0	36.9	-	36.0
% Wage Adjustment	3.1	2.3	2.6	3.3	-	3.3

Table 7

**Selected Economic Indicators
by Year and Quarter**

	2003–2004					
	2002	2003	4	1	2	3
Wage Adjustment (%)						
Ratified Agreements	2.8	2.5	2.0	2.8	1.3	1.3
Public Sector	2.9	2.9	2.2	2.8	-0.4	1.6
Private Sector	2.5	1.2	1.6	2.7	2.5	0.9
Wage Adjustment (%)						
Agreements in Force	3.0	2.7	2.6	2.5	1.8	1.5
Public Sector	3.2	2.8	2.7	2.6	1.7	1.3
Private Sector	2.6	2.4	2.3	2.2	2.0	1.9
† Consumer Price Index						
Percentage Change ¹	2.2	2.8	1.7	0.9	2.2	2.0
† GDP² at Basic Prices³						
Percentage Change ¹	3.4	2.2	1.9	2.3	3.2	3.7
‡ Labour Productivity Growth (%)	1.2	-0.1	-0.1	0.1	0.9	1.2
‡ Unit Labour Cost (%)	0.5	1.5	1.2	1.4	1.4	1.2
‡ Unemployment Rate³ (%)	7.7	7.6	7.5	7.4	7.2	7.1
‡ Employment³ (000's)	15,412	15,746	15,875	15,917	15,996	16,050
Percentage Change ¹	2.2	2.2	1.8	1.6	1.9	1.9
‡ Average Weekly Earnings³	\$681.81	\$689.60	\$694.11	\$697.55	\$701.64	\$700.56
Percentage Change ¹	2.0	1.2	1.2	1.7	1.9	1.6
‡ Average Hourly Earnings	\$17.09	\$17.20	\$17.40	\$17.56	\$17.78	\$17.86
Percentage Change ¹	1.8	0.7	2.2	3.0	3.7	3.7

¹ Percentage change from the same period of the previous year.

² GDP—Gross domestic product at factor cost (1997) prices.

³ Seasonally adjusted data.

† Statistics Canada.

* Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

Length of Collective Agreements

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Introduction

In an article published in the *Workplace Gazette*¹ in 1999, the Workplace Information Directorate reviewed the increasing average duration of collective agreements within its database on agreements covering 500 or more employees for all of Canada. Its main finding was a strong increase in the proportion of long-term collective agreements (more than 36 months). This proportion went from 1 to 2 per cent of ratified agreements in 1990 to a high of 26.5 per cent in 1999.

This tendency was corroborated by the average annual duration of collective agreements which went from 28.4 months in 1990 to a high of 36 months in 1999. We noted that the private sector, particularly in manufacturing, exerted an overriding influence on this lengthening trend and that the average life of agreements varied greatly from one jurisdiction to another.

As it is difficult to isolate the effect of the industrial sector where some unions are better entrenched, the analysis of union affiliation was not repeated. Collective agreements that include reopener clauses were not analyzed since they are insignificant and appear in the form of parity clauses for wage adjustments tied to external bargaining units.

In this article, we have decided to include the analysis of the period 1994–2003 by jurisdiction or region and industry sector in order to determine whether

the phenomenon of increased agreement length had grown, stabilized, or receded.

Methodology

This study focuses on 3,922 collective agreements covering 500 workers or more, ratified between January 1994 and December 2003 in all of Canada. The number of collective agreements ratified over this period was greater than the number of bargaining units, some units having concluded more than one agreement. The average duration figure is weighted by the number of workers involved.

According to the article published in 1999, a long-term collective agreement is one with a duration of over 36 months. In order to determine the length of an agreement, we have used the day following the termination of the previous agreement, which is not always the effective date of the new one. However, in the majority of cases, this date is retroactive to the day following the end of the previous agreement.²

Moreover, in order to identify the deep-seated tendencies with respect to the average duration of collective agreements, the analysis was based on a comparison of two five-year periods, namely 1994–1998 and 1999–2003, which allows us to minimize the effect of the variability of annual data on the length of agreements.

¹ Long-Term Collective Agreements and Reopener Clauses, *Workplace Gazette*, Fall 1999, Vol. 2, N° 3, pp. 42–57.

² In about 775 cases (19.8 per cent), half of which come from the private sector, the effective date was subsequent to the day following the end of the previous collective agreement. Had we used the effective date, the overall effect would reduce the average duration of collective agreements by 1.8 months.

Lengthening of the Average Duration of Collective Agreements

The average annual length of collective agreements increased by 7.3 months, from 28.4 months in 1994 to 35.7 in 2003 (see Chart A). This increase was most noticeable in the private sector, going from 34.5 to 44.3 months, while it went from 33 months in the public sector.³

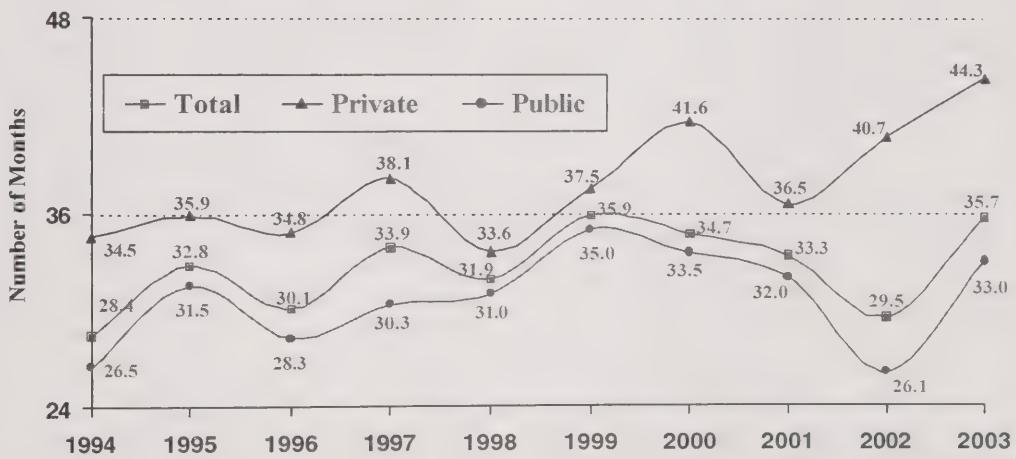
A closer look at Chart A shows that the average annual duration of collective agreements has consistently averaged more than 36 months in the private sector since 1999. The public sector average duration peaked at 35 months in 1999. Chart A also demonstrates the strong influence exerted by the public sector on the average length of collective agreements as a whole as the "total" curve closely

mirrors that of the public sector. Among collective agreements tracked, 62.4 per cent of the 3,922 collective agreements studied (71.1 per cent of the 8,859,070 employees covered) come from the public sector.

This effect is particularly conspicuous given the shortened length of collective agreements which went from 35.9 months to 26.1 months between 1999 and 2002. This reduction is largely due to the ratification of a large number of 12-month collective agreements in the elementary and secondary education sector in Ontario⁴ between 2000 and 2001 and in Quebec's public and parapublic sector in 2002.⁵

Chart A

Average Duration of Agreements by Year and Sector



Source: Workplace Information Directorate.

³ For the period 1994–2003, the average weighted duration of collective agreements was 32.5 months (37.2 in the private sector and 30.6 in the public sector).

⁴ In this sector, twenty-nine 12-month collective agreements were ratified in 2000 (3.8 per cent of employees covered and 7.4 per cent of agreements for 2000) while in 2001, 30 agreements were signed (4.4 per cent of employees covered and 7.2 per cent of 2001 agreements).

⁵ Twelve month extension of 53 collective agreements in order to allow negotiation of pay equity in the Quebec public and parapublic sector. These agreements represent 26.6 per cent of employees covered and 14.9 per cent of agreements ratified in 2002.

The proportion of long-term collective agreements is 21.0 per cent for agreements of more than 36 months, 14.5 per cent for those 48 months or more, and 5.2 per cent for those 60 months or more. The proportion of long-term collective agreements moved from 17.7 per cent for the 1994–1998 period to 24.5 per cent for the 1999–2003 period. With respect to collective agreements of 48 months or more, this proportion went from 11.7 per cent to 17.5 per cent and from 4.6 per cent to 5.7 per cent for agreements of 60 months or more.

Long-Term Collective Agreements Predominance of the Private Sector

The private sector accounts for the majority of the 824 long-term collective agreements ratified between 1994 and 2003. Indeed, while the proportion of private-sector collective agreements included in the analysis is 37.6 per cent, the proportion of long-term collective agreements⁶ is 54.2 per cent. Further, if we look at all employees covered, 28.3 per cent are from the private sector. By comparison, with respect to long-term collective agreements, this proportion is 41.9 per cent of the 1,968,325 employees covered.

Chart B indicates that, in the private sector, the proportion of long-term collective agreements has climbed from one quarter to more than one third between the 1994–1998 (24.7 per cent) and 1999–2003 (37.8 per cent) periods. In the public sector, this proportion went from 12.7 per cent to 17.8 per cent for the same period. Meanwhile, collective agreements of 48 months or more also increased significantly in the private sector, from 17.9 per cent to 26.6 per cent, while in the public sector, they went from 7.3 per cent to 12.9 per cent.

For this entire period, 69.1 per cent of the 824 long-term agreements had a duration of 48 month or more while one quarter (24.6 per cent) had a term of 60 months or more. The proportion of agreements of 60 months or more is 31.5 per cent in the private sector and 16.4 per cent in the public sector. It is interesting to note that when a collective agreement exceeds 36 months, it often has a term of 48 months or more.

The average length of long-term collective agreements also increased, moving from 46.4 month for 1994–1998 to 49.9 months for 1999–2003. The greatest increase was recorded in the public sector, jumping from 43 to 48.9 months⁷ while in the private sector, it went from 50 to 51.4 months. Meanwhile, there does not seem to be any significant difference between the average length of long-term collective agreements between the public and private sectors.

Long-Term Collective Agreements by Jurisdiction

The number of collective agreements covering 500 workers or more, ratified between January 1994 and December 2003 varies greatly by jurisdiction. In this respect, Ontario accounts for 39.5 per cent of agreements; the Prairie Provinces, 18.3 per cent; Quebec, 14.5 per cent; British Columbia, 10.5 per cent; the Federal jurisdiction, 9.6 per cent; the Atlantic Provinces, 7.2 per cent; and the Territories, 0.5 per cent. Interestingly enough, Ontario, which accounts for 39.5 per cent of collective agreements ratified, only accounts for 31.3 per cent of the employees covered, while the federal jurisdiction, with 9.6 per cent of agreements, accounts for 17.4 per cent of employees covered (see Chart C).

⁶ In 2002 and 2003, in the private sector, more than half were long-term, though the number of collective agreements ratified was relatively low (200).

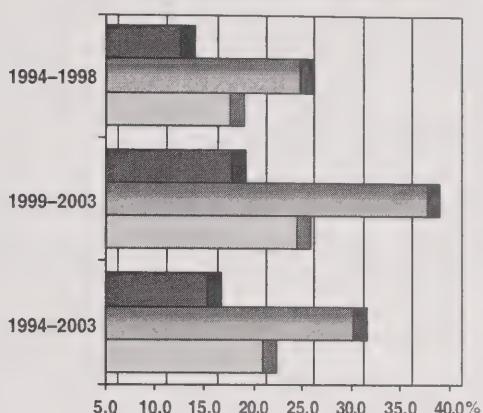
⁷ The ninety-eight 48-month agreements ratified (1998–2002) in the Quebec public and parapublic sector at the beginning of 2000 have exerted a strong influence on these results as they represent 43 per cent of long-term agreements ratified during that period.

Chart B

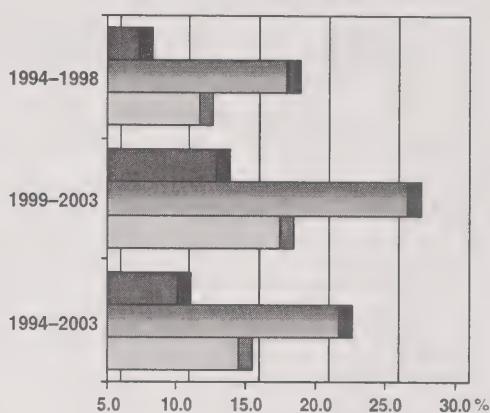
**Proportion of Collective Agreements
by Duration and Period**

■ Public ■ Private □ Total

More than 36 months



48 Months and more

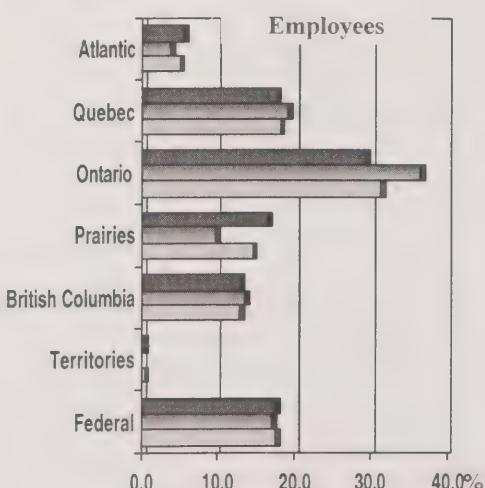
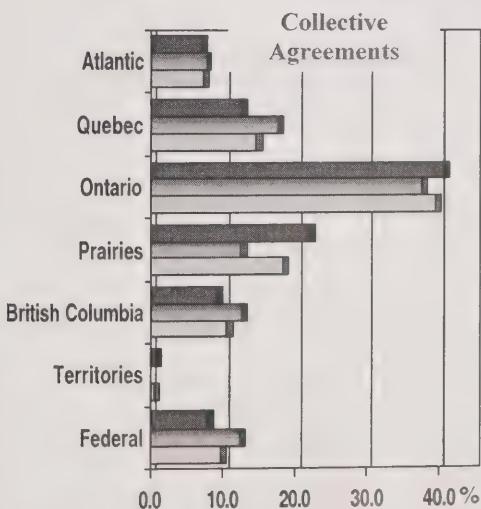


Source: Workplace Information Directorate.

Chart C

**Proportion of Collective Agreements Ratified and Number of
Employees by Region/Jurisdiction and Sector (1994–2003)**

■ Public ■ Private □ Total



Source: Workplace Information Directorate.

A close look at the average duration of agreements ratified during 1994–1998⁸ reveals that it is longest in the Atlantic Provinces, with 37.8 months (see Chart D). This is largely due to New Brunswick where the average length of collective agreements reached 41.8 months, the only province where the duration of agreements is longer in the public sector (42.1 months) than in the private sector (40.7 months).

New Brunswick is followed by Quebec (35.5 months) and British Columbia (35.3 months). In both cases, this is largely due to the private sector where the average length of agreements is 39.4 months.⁹ The private sector in Newfoundland and Labrador (29.6 months), the Federal jurisdiction (34.8 months), and Alberta (35 months) recorded the shortest agreement durations. The public sector in Ontario (28 months), the Federal jurisdiction (28.3 months), and the Prairie Provinces (29.3 months) recorded the shortest agreement durations. In the later case, this is largely due to the Alberta public sector where the average length of agreements for the entire period was 26.9 months.

Given the high number of agreements reached at the beginning of the 2000s in the elementary and secondary education sector in Ontario, we have assessed their impact. Excluding this sector,¹⁰ the average duration of collective agreements in Ontario is three months longer, bringing it to 33.9 months. Obviously the impact is primarily felt in the public sector where the average length moves from 28 to 31.6 months. It is slightly more pronounced with an increase of 3.9 months (to 36.7 months) when limiting the results to the public sector. For all

collective agreements, the term increase is 0.9 month to 33.4 months.

We have conducted a similar analysis for Quebec by excluding the health, education and social services sectors. The impact is also relatively significant for this jurisdiction with an additional 3.9 months to the length of collective agreements, which moves from 35.5 to 39.4 months for the whole period 1994–2003. However, the impact is felt throughout the 1999–2003 period with an additional 7.2 months to the length of collective agreements, which rises from 35.5 to 42.8 months.

When comparing the 1994–1998 period to that of 1999–2003, we find that the average duration of collective agreements ratified in the Atlantic Provinces¹¹ went from 36.2 to 40 months (see Chart E). Within the private sector, it went from 33.6 to 40.1 months, while in the public sector, the average length of collective agreements increased from 36.9 to 39.3 months. Furthermore, in the Atlantic Provinces, the most significant increases in private sector agreements lengths from the first to the second periods occurred in Nova Scotia (from 32.3 to 44.4 months) and Newfoundland and Labrador (from 25.6 to 33.8 months). In the public sector, increased durations were reported in New Brunswick (from 39.6 to 46.2 months) and Prince Edward Island (from 25.6 to 33.8 months). Although the average duration has increased in the Atlantic Provinces as a whole, it is in Prince Edward Island and New Brunswick that it has seen the greatest increase, going from 26.8 to 35.4 months and 39.7 to 45.2 months, respectively. By comparison, it has moved from 34.8 to 37.9 months in Nova Scotia, and from 35.8 to 38.5 months in Newfoundland and Labrador.

⁸ For the 1994–2003 decade, the average duration of collective agreements was of 32.5 months (37.2 months in the private sector, and 30.6 months in the public sector).

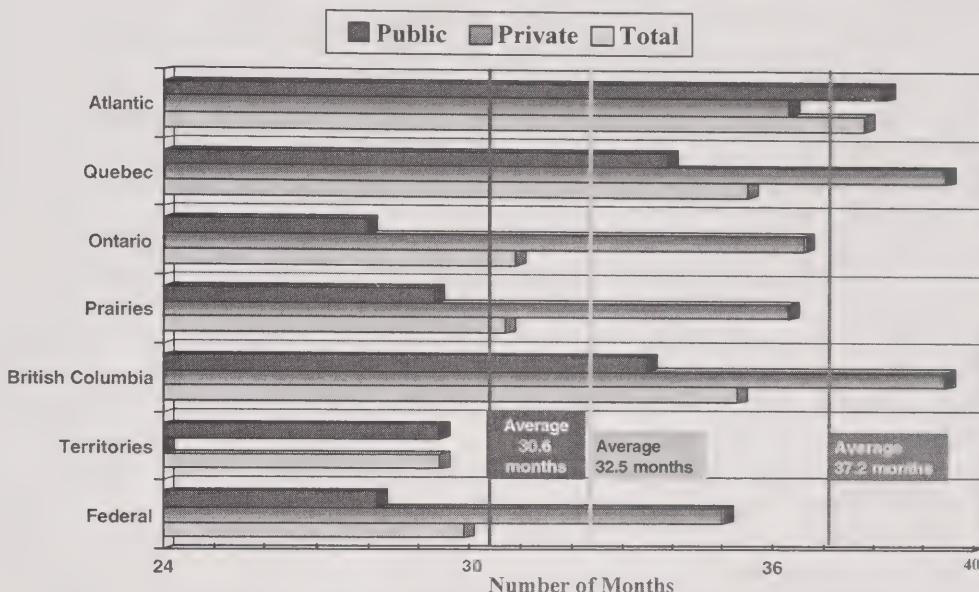
⁹ The average duration for the public sector was 33.9 and 33.5 months, respectively.

¹⁰ Namely 598 collective agreements with an average duration of 22.5 months. There were 281 during 1994–1998, with an average duration of 21.8 months, and 317 during 1999–2003, with an average duration of 23 months.

¹¹ This refers to 287 collective agreements covering 457,378 employees, or 7.3 per cent of all collective agreements and 5.2 per cent of employees covered.

Chart D

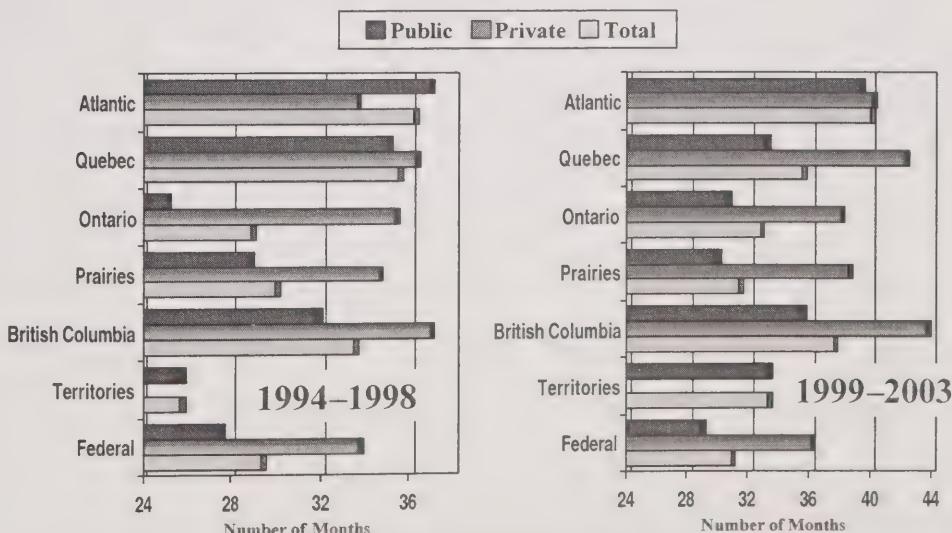
**Average Duration of Collective Agreements Ratified
by Region/Jurisdiction and Sector (1994–2004)**



Source: Workplace Information Directorate.

Chart E

**Average Duration of Ratified Collective Agreements
by Region/Jurisdiction, Sector and Period**



Source: Workplace Information Directorate.

In the private sector during the 1999–2003 period, if we exclude Prince Edward Island and Nova Scotia,¹² Quebec and British Columbia recorded the longest average duration with 42.2 and 43.6 months, respectively.¹³ In the first instance, it was an increase of 5.9 months compared to the previous period, while in the second, the increase was 6.7 months. While the average duration in the Quebec public sector decreased slightly to 33.1 months, in British Columbia it went from 31.8 to 35.5 months. In Ontario, the duration was greater in the public sector, where the average length went from 25.1 to 30.6 months, while in the private sector it went from 35.3 to 38 months.

In the Prairie Provinces, the most significant increase in duration occurred in the private sector where the average length went from 34.6 to 38.5 months. If we exclude Manitoba, where the average private sector duration went down nearly 4 months between 1994–1998 (39.9 months) and 1999–2004 (36.1 months), it has increased in the other jurisdictions. Specifically in Alberta, where it has gone from 32 to 39.3 months, and Saskatchewan (from 37.8 to 40.2 months). In the public sector, the average duration has remained stable at 35 months in Saskatchewan, while it has gone down in Alberta (from 28.3 to 25.3 months) and up in Manitoba (from 25.1 to 33.9 months).

The proportion of long-term collective agreements is highest in New Brunswick (59.6 per cent) and in Quebec (40.9 per cent).¹⁴ Moreover, this proportion is much higher within the New Brunswick public sector (70.8 per cent) than in the private sector (47.8 per cent); it is similar in both sectors in

Quebec.¹⁵ These two provinces experienced the greatest increase with respect to these proportions between 1994–1998 and 1999–2003, namely from 52.6 per cent to 70.3 per cent in New Brunswick, and from 29.2 per cent to 51.3 per cent in Quebec (see Chart F). The most significant increase, between 1994–1998 and 1999–2003, was recorded for collective agreements of 48 months or more in Quebec where this proportion shot up from 19.6 per cent to 46.4 per cent. The adoption of Bill 116 (May 19, 1994)—a modification to the *Quebec Labour Code*—allowed for the settlement of collective agreements with a duration of more than 36 months, except for a first-time collective agreement. By comparison, it went from 41.3 per cent to 54.2 per cent in New Brunswick.

The low proportion of long-term agreements in Ontario (11.8 per cent) should be noted in the context that this province accounts for 40 per cent of ratified agreements and 30 per cent of employees covered. Though there are no significant differences between the 1994–1998 and 1999–2003 periods, long-term collective agreements are more numerous in the private sector (23.3 per cent) than in the public sector (5.4 per cent). The situation in the Prairie Provinces is very similar to that of Ontario, although the various differences are relatively smaller. Between 1994–1998 and 1999–2003, the proportion of long-term collective agreements increased from 14 to 19.6 per cent in Manitoba, and from 10.5 to 23.5 per cent in Saskatchewan. It decreased in Alberta from 14.7 to 9.9 per cent. In the case of private and public sector proportions, they are 25.4 and 13.3 per cent in Manitoba, 33.3 and 10.3 per cent in Saskatchewan, and 18.9 and 10.5 per cent in Alberta, respectively.

¹² In the case of Prince Edward Island, we are referring to two 48-month agreements, and in Nova Scotia, to 18 agreements with an average duration of 44.4 months.

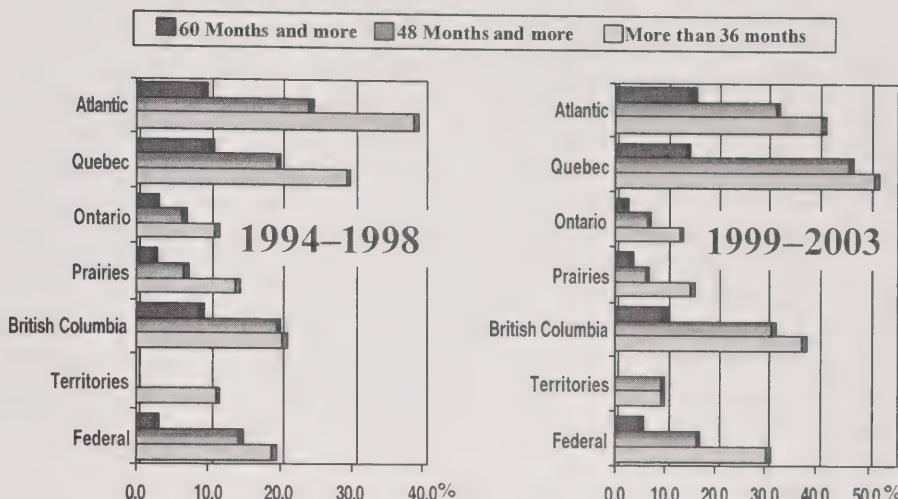
¹³ While in Quebec the overall average duration remained stable at 35.5 months between the two periods, it went from 33.5 to 37.6 months in British Columbia.

¹⁴ 56 of the 94 collective agreements ratified in New Brunswick, and 236 of the 577 ratified in Quebec between 1994 and 2003 were longer than 36 months.

¹⁵ The private sector averages 41.7 percent while the public sector averages 40.2 per cent.

Chart F

**Proportion of Ratified Collective Agreements
by Region/Jurisdiction, Duration and Period**



Source: Workplace Information Directorate.

Finally in British Columbia we notice a strong increase in long-term collective agreements which rise from 20.4 per cent in 1994–1998 to 37.2 per cent in 1999–2003. This is also the case for agreements of 48 months or more that go from 19.6 per cent to 31.4 per cent. The proportion of long-term collective agreements is much greater in the private sector: namely 40.8 per cent for agreements with a length of more than 36 months, 37.2 per cent for those of 48 months or more, and 16.2 per cent for those of 60 months or more.¹⁶

This general increase in long-term collective agreements also applies to the federal jurisdiction where the proportion went from 18.9 per cent in 1994–1998 to 30.4 per cent in 1999–2003. The proportion of long-term collective agreements is twice as high in the private sector where it reached 33.3 per cent for agreements of more than 36 months, and 20.4 per cent for those 48 months in duration or more.

**Long-Term Collective Agreements
by Industry**

The average duration of collective agreements ratified between 1994 and 2003 varies greatly by industry. In the education, health and social services sector, the average length of collective agreements is 30.6 months (see Chart G), and has increased slightly between the 1994–1998 and 1999–2003 periods, going from 29.8 to 31.3 months.

The only sectors showing lower average durations are the public administration and the utilities sectors where the average length is 29.1 and 30.5 months respectively. However, between 1994–1998 and 1999–2003, the duration has increased, going from 27.9 to 30.2 months in the public administration sector, and from 25.3 to 36.1 months in the utilities sector.

¹⁶ In the public sector, these proportions are 17.2 per cent for agreements exceeding 36 months, 14.5 per cent for those 48 months or more, and 3.1 per cent for those 60 months or more.

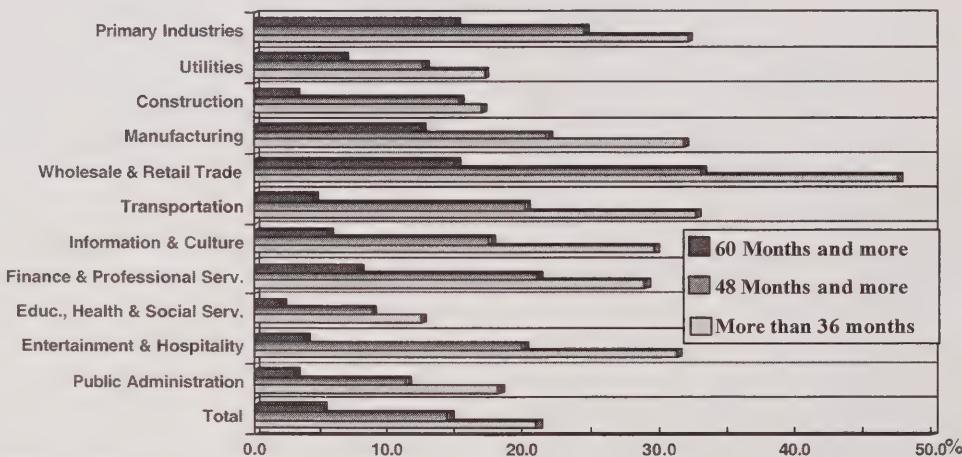
Together, the education, health and social services and the public administration sectors account for more than half of all agreements ratified (55 per cent) and nearly two thirds of employees covered (62.9 per cent).¹⁷ Thus they exert a strong influence on the average duration of collective agreements. Were we to exclude them, the average overall length of collective agreements would increase by 3.8 months to reach 36.3 months and, looking only at 1999–2003, it would rise further to 38.5 months.

Indeed, the proportion of long-term collective agreements for these two sectors is only 14 per cent. In the public administration sector, this proportion even went down from 19.9 per cent to 16.4 per cent between 1994–1998 and 1999–2003, while it doubled to 16.4 per cent in the education, health and social services sector (see Chart H).

Looking only at long-term collective agreements, the education, health and social services sector accounts for a quarter of all agreements (24.2 per cent), and 141 (70.9 per cent) of those are 48 months or more in duration. Moreover, the proportion they represent in long-term collective agreements overall has gone from 17.1 per cent to 29.5 per cent between 1994–1998 and 1999–2003, while collective agreements of 48 months or more doubled to 31.4 per cent.¹⁸ The public administration and the education, health and social services sectors account for more than one third (36.8 per cent) of all long-term collective agreements.

For the period as a whole, the wholesale and retail sales sector¹⁹ recorded the longest average duration with 45.9 months, as well as the greatest number of long-term collective agreements

Chart G
**Proportion of Long-Term Agreements
by Sector and Duration (1994–2003)**



Source: Workplace Information Directorate.

¹⁷ The education, health, and social services sector, which accounts for 40 per cent of collective agreements and employees covered, only accounts for 12.5 per cent of long-term collective agreements.

¹⁸ Namely 105 of the 334 collective agreements of 48-months or more ratified during the 1999–2003 period.

¹⁹ This sector however only represents 4.0 per cent of agreements and employees covered.

(47.5 per cent). The length of agreements increased by 6.1 months in this sector between 1994–1998 and 1999–2003, rising from 43.1 to 49.2 months. This sector is influenced by the retail food sector which represents 40.6 per cent of the 160 agreements ratified with an average duration of 50.3 months. Half of the 65 long-term collective agreements of the retail food sector have a duration of 60 months or more. In this sector, competition is the fiercest.

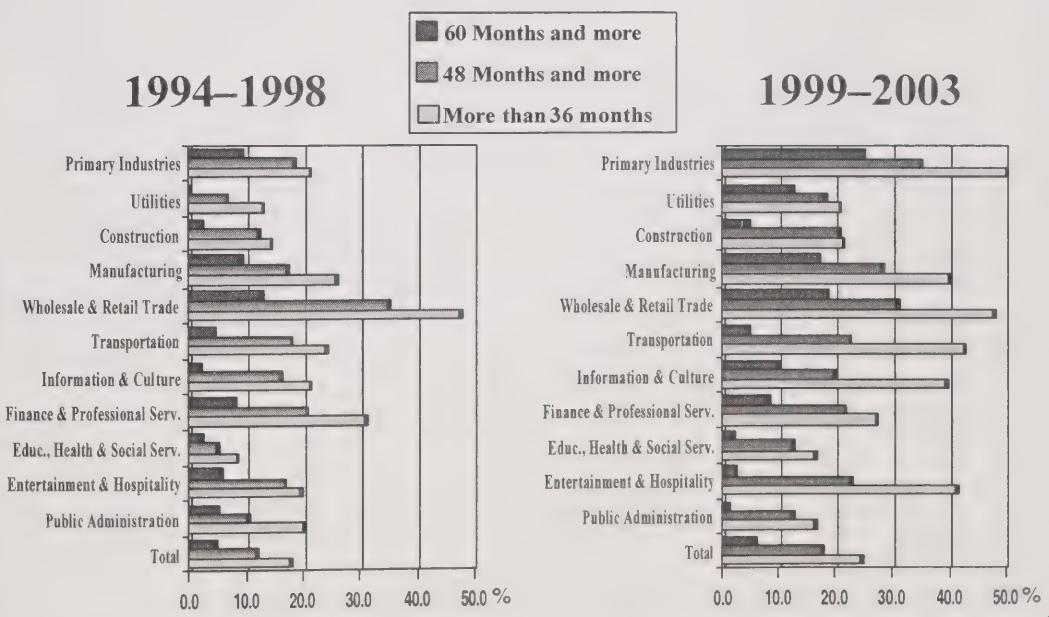
In terms of the average duration of collective agreements, the retail food sector is followed by the primary industries sector (38.6 months), the finance and professional services sector (38.2 months) and the entertainment and hospitality sector (37.3 months). Between 1994–1998 and 1999–2003, the average duration went from 36 to

43 months for the primary industries sector, from 32.8 to 42 months in the finance and professional services sector, and from 34.4 to 39.8 months in the entertainment and hospitality sector. However, these three sectors only represent 5.3 per cent of collective agreements, and approximately 2.8 per cent of employees covered. Even though the proportion of long-term collective agreements is relatively stable in the finance and professional services sector (30 per cent), it rose from 21.2 per cent to 50 per cent in the primary industries sector, and from 19.4 per cent to 40.9 per cent in the entertainment and hospitality sector.²⁰

In terms of ratified collective agreements, the two most important sectors after the education, health and social services and public administration sectors are the manufacturing (642 agreements) and

Chart H

**Proportion of Long-Term Agreements
by Sector, Duration and Period**



Source: Workplace Information Directorate.

²⁰ In the case of primary industries, this only represents 10 of the 20 collective agreements ratified in this sector during the 1999–2003 period, and in the entertainment and hospitality sector, 18 of the 44 ratified collective agreements.

construction (288 agreements) sectors. They account for nearly one quarter (23.7 per cent) of collective agreements, and 16.8 per cent of employees covered.²¹ The average duration of collective agreements in the manufacturing sector is 37 months, while it was 34.5 months in the construction sector. From 1994–1998 to 1999–2003, the lengthening of the average duration was approximately three months in both cases, rising to 38.7 months in the manufacturing sector, and to 36.1 months in the construction sector.

The manufacturing sector accounts for the greatest number of collective agreements of 60 months or more (nearly 40 per cent of agreements),²² while nearly 70 per cent of long-term agreements in that sector are 48 months or more in duration. In the construction sector, nearly 90 per cent of long-term agreements are 48 months or more²³ in duration. As to the proportion of long-term collective agreements ratified in these sectors, it rose during the two periods (1994–1998 to 1999–2003), from 25.8 per cent to 39.6 per cent in the manufacturing sector, and from 14.2 per cent to 21.4 per cent in the construction sector.

The transportation sector comes next with 223 collective agreements. In fact, 75 per cent of agreements ratified in this sector were from the federal jurisdiction²⁴ where they represent 44 per cent of all collective agreements.²⁵ In the transportation sector, the average life of collective agreements is 35.8 months (ditto for those from the federal jurisdiction); the average duration has increased by 4.3 months from 1994–1998 to 1999–2000 to reach 38 months. Moreover, the proportion of long-term collective agreements ratified in the

transportation sector is 32.7 per cent, and 62.6 per cent of these have an average duration of 48 months or more. The proportion of long-term collective agreements went from 23.9 per cent for the 1994–1998 period to 42.5 per cent for the 1999–2003 period.

Conclusion

The average duration of collective agreements from 1994 to 2003 has continued to increase, reaching 32.5 months. In fact, it went from 31.3 in 1994–1998, to 33.6 months in 1999–2003. This phenomenon is more prevalent in the private sector where the average length reached 37.2 months, and which accounts for half of all long-term collective agreements.

This analysis has shown that a collective agreement exceeding 36 months in duration is often—more specifically 7 out of 10 times—48 months or more in duration. Finally, there does not seem to be a significant difference between the average duration of collective agreements in the public and private sectors if we focus solely on long-term collective agreements.

Moreover, the average duration and the proportion of long-term collective agreements vary widely from one province to another. Indeed, the average duration is higher in the Maritimes, Quebec and British Columbia, but shorter in Ontario and the Federal jurisdiction. In Ontario, the elementary and secondary education sector has significantly influenced the average length of collective agreements.

²¹ Namely 790,330 employees from the manufacturing sector and 704,176 from construction. Given the lower number of agreements in the construction sector, it may be surmised that the number of employees covered by each agreement is much higher (more than double).

²² Namely 80 agreements out of 203.

²³ Namely 44 of the 49 ratified long-term collective agreements.

²⁴ Namely 168 collective agreements.

²⁵ Namely 382 collective agreements.

Data for the Maritimes remain largely dependent on the results from New Brunswick. The proportion of long-term collective agreements is much greater in New Brunswick and Quebec. This proportion however is quite low in Ontario, which accounts for a large part of agreements ratified during the period. Finally, the important increase in the number of long-term collective agreements in British Columbia and the federal jurisdiction between 1994–1998 and 1999–2000, particularly in the private sector, must not be overlooked.

Much variance has been reported from one industry to another. First we highlighted the shorter length of collective agreements in the education, health, and social services and public administration sectors, which nevertheless account for the majority of collective agreements and employees covered, particularly for the years 2000 to 2002 when numerous 12-month collective agreements were ratified within this sector. In the education, health, and social services sector, the proportion of long-term collective agreements ratified during the period is relatively low (12.5 per cent) compared to their numerical importance (40.4 per cent).

It should be noted that these two sectors are subject to less competition, as compared to the wholesale and retail sales sector where the longest long-term collective agreement as well as the highest proportion of long-term agreements are found—in particular the retail food sector where half of collective agreements were 60 months or more in duration. In addition, the manufacturing sector accounts for nearly half of collective agreements of 60 months or more in duration. In this respect, we had highlighted, in 1999, the impact of 72-month collective agreements, ratified in the pulp and paper industry.

Finally, though it is unlikely that there will be a significant rise in the average duration of collective agreements in the years to come, it remains possible that this average could remain stable. Any development in this respect would largely be attributable to the evolution occurring in the public administration and elementary and secondary education sectors in Ontario.

Workplace Information

Information sur les milieux de travail

WORK STOPPAGES

*Workplace Information Directorate
Labour Program, Human Resources and Skills Development Canada*

Third Quarter 2004 (500 or More Employees)

During the third quarter of 2004, there were 12 work stoppages involving 500 and more employees in Canada that resulted in 661,500 person-days not worked. Three major work stoppages represented 65 per cent of the person-days not worked. The strike involving Aliant Telecom inc., involving 4,300 employees, accounted for 240,800 person-days not worked and represented 36 per cent.

The second work stoppage was between Canada Revenue Agency and the Public Service Alliance of Canada and accounted for 125,000 person-days not worked, representing 19 per cent.

Finally, the work stoppage involving 1,250 employees of Iron Ore Company of Canada represented 63,390 person-days not worked and accounted for approximately 10 per cent of the total of person-days not worked in the third quarter.

Table 1

Major Work Stoppages—Third Quarter 2004

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	1	1,250	63,390	Primary Industries	1	1,250	63,390
Prince Edward Island	-	-	-	Utilities	-	-	-
Nova Scotia	-	-	-	Construction	2	2,500	43,000
New Brunswick	1	560	1,200	Manufacturing	3	2,390	89,040
Quebec	1	790	48,190	Wholesale and Retail Trade	-	-	-
Ontario	3	3,600	80,850	Transportation	-	-	-
Manitoba	1	500	3,000	Information and Culture	1	4,300	240,800
Saskatchewan	-	-	-	Finance and Professional Services	-	-	-
Alberta	-	-	-	Education, Health and Social Services	1	560	1,200
British Columbia	1	650	5,570	Entertainment and Hospitality	1	650	5,570
Territories	-	-	-	Public Administration	1	40,500	218,500
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	8	7,350	202,200	Total	12	52,150	661,500
<i>Canada Labour Code—</i>							
Part I	1	4,300	240,800				
Federal Administration	3	40,500	218,500				
Federal Total	4	44,800	459,300				
Total	12	52,150	661,500				

Source : Workplace Information Directorate.

Third Quarter 2004 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2
All Work Stoppages
Cumulative to September 30, 2004

by Jurisdiction				by Industry			
Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked	Industries	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	6	20,165	441,670	Primary Industries	5	2,684	103,400
Prince Edward Island	-	-	-	Utilities	4	520	10,230
Nova Scotia	4	1,285	31,130	Construction	8	6,085	87,950
New Brunswick	6	1,030	16,740	Manufacturing	79	10,630	427,879
Quebec	106	13,197	388,799	Wholesale and Retail Trade	25	2,537	63,790
Ontario	77	18,783	423,880	Transportation	13	7,139	139,860
Manitoba	6	640	5,200	Information and Culture	7	4,533	461,890
Saskatchewan	6	2,241	27,070	Finance and Professional Services	10	477	22,560
Alberta	2	398	10,860	Education, Health and Social Services	41	53,111	647,990
British Columbia	14	45,559	600,740	Entertainment and Hospitality	37	6,801	207,870
Territories	-	-	-	Public Administration	16	60,122	588,940
Multiprovince	-	-	-	Various Industries	-	-	-
Total Provinces	227	103,298	1,946,089	Total	245	154,639	2,762,359
<i>Canada Labour Code—</i> <i>Part I</i>	15	10,841	597,770				
Federal Administration	3	40,500	218,500				
Federal Total	18	51,341	816,270				
Total	245	154,639	2,762,359				

Source : Workplace Information Directorate.

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Web site at

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>

All Work Stoppages

Table 3

A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month ¹			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1995	282	328	149,159	1,583,070	0.05
1996	297	330	275,666	3,269,060	0.11
1997	229	284	257,664	3,607,710	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,499	2,198,850	0.07
2002	251	294	167,987	3,033,540	0.09
2003	221	266	79,481	1,736,362	0.05
2004*	208	245	154,639	2,762,359	0.10
* Year-to-date					
2003					
September	22	64	10,179	95,200	0.03
October	16	61	5,393	79,660	0.03
November	17	53	10,638	127,550	0.04
December	9	52	17,052	114,870	0.04
2004					
January	13	50	6,944	46,369	0.02
February	27	62	10,801	98,360	0.03
March	20	65	11,930	131,990	0.05
April	32	69	76,383	696,440	0.24
May	26	71	60,796	601,640	0.20
June	24	74	14,029	208,440	0.07
July	29	82	15,909	233,360	0.08
August	19	90	21,425	324,895	0.11
September	18	81	54,806	420,865	0.14

¹ Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program, Human Resources and Skills Development Canada, covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike

or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

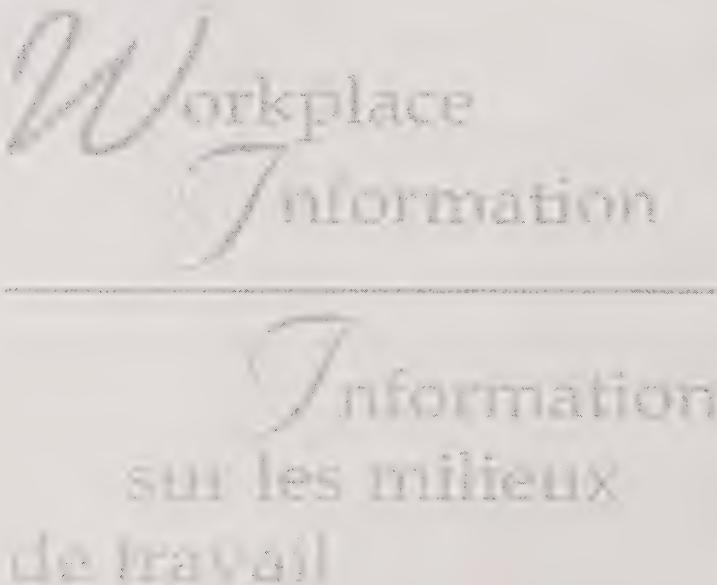
Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establish-

ments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program, Human Resources and Skills Development Canada, May, 2003.



Selected Provisions in Collective Agreements

Marie-Ève Bédard

Workplace Information Directorate

Labour Program, Human Resources and Skills Development Canada

Grievance Settlement System

The Grievance Settlement System is an important tool within organizations since it provides for the protection of an employee from any ill treatment that may occur in the work environment. The settlement of grievances assists in conflict resolution between the employee and employer.

This article will familiarize the reader with the fundamentals of grievances and grievance settlement procedures. The results of a study into the possible link between the rate of access to grievance settlement systems and unionization within organizations are also presented.

1. Types of Grievances

In order to understand the essentials of the grievance settlement system, the terminology associated with it must be defined and interpreted. Thus, a **grievance** is a complaint that a worker covered by a collective agreement may file under the terms of that agreement (Dion 1976). Such a complaint may also be submitted by the union representing the aggrieved employee. The grievance may be remedial or interpretive in nature, individual or collective, and originate with the union or the employer. According to Bernatchez (1994), while a **remedial grievance** is aimed at reinstating rights presumably not recognized pursuant to a decision that was made and implemented, an **interpretive grievance** is intended to obtain an arbitration decision with respect to a formal measure not yet implemented. An **individual grievance** is filed by an individual, while a **collective grievance** addresses the interests of a group of individuals. A **union grievance** is drafted by a

representative association for its membership, and an **employer grievance** is filed by an employer against a union.

2. Sources of Grievances

Grievances may arise from two situations. First, they may be the result of a violation of a collective agreement's provisions. According to Bernatchez (1994), these grievances reflect a certain level of inability on the part of the parties to resolve workplace issues, and reveal a lack of communication between employer and union representatives.

In Canada, grievance settlement provisions are found in all labour relations legislation. These laws prohibit strike action during a collective agreement's lifetime where differences of opinion occur with respect to the interpretation or application of the various clauses. The grievance settlement procedure is thus, in such circumstances, the only recourse available.

Second, certain non-unionized organizations implement employee complaint settlement procedures and often use the same terminology, namely grievance and grievance settlement procedure. In this context, the grievance is generally the result of a violation of legislative provisions such as minimum employment standards or human resource management policies and practices.

3. Grievance Settlement Procedure

The grievance settlement procedure includes, in its widest interpretation, all concepts that must be

considered in order to arrive at a settlement. Doyle (1999) identified the four main roles of this procedure:

- 1) It assumes a **compliance role** by ensuring that both parties adhere to and respect the collective agreement.
- 2) It assumes a **judicial and adjudicative role** for industrial organizations by interpreting the collective agreement and rules of behaviour and by serving as the dispute resolution procedure for disagreements which arise during the life of the collective agreement.
- 3) It serves an **administrative role** by applying the rules of the contract and offers guidance in the administration of the collective agreement. Through the grievance process, management and union representatives serve as expert trouble-shooters who investigate disputes on behalf of their constituencies and endeavour to reach a settlement.
- 4) It may serve as a **forum for "fractional bargaining"** where one party attempts to secure concessions it could not obtain at the bargaining table or win back what it has lost at the bargaining table.

The processing of a grievance differs from one organization to the next since it depends on the terms arrived at through collective bargaining. However, the grievance settlement procedure normally begins with the drafting and submitting of a complaint to the immediate supervisor. If the complaint is not resolved at that level, it is sent to a management committee. The result often depends on employees' unionization. Indeed, "Most cases involving non-unionized workers do not go beyond this level; however, some cases, especially those involving unionized workers, can be taken further—a labour-management committee and even outside arbitration" (Akyeampong 2003).

The application of such a procedure in an organizational environment may have positive psychological and financial implications. It helps reduce employee stress and fears in a non-aggressive way during periods of conflict and provides for the resolution of disagreements or conflicts without resorting to work stoppages or economic sanctions. Such a procedure may, however, come at a price, in terms of both money and time, and imply as well the participation of a third party in order to resolve the conflict. This last aspect has the effect of limiting the employer's rights while wresting control of the issues away from the union (Doyle 1999).

In the event of a grievance, organizations and unions may opt for mediation or arbitration to reach agreement.

3.1 Grievance Mediation

The parties involved may opt for mediation before escalating to arbitration. Grievance mediation is a process by which union and management try to resolve their differences through negotiation, with the assistance of a skilled, impartial third-party mediator (Elliot and Goss 1994).

The role of the mediator is of paramount importance throughout the mediation process. His role is to bring the diverging sides to an objective understanding of the disagreement, to seek avenues of resolution and to work toward obtaining an agreement (Bélanger et al. 1996). If the process fails to resolve the conflict and the mediator is discharged, the process will be known as pre-arbitral grievance mediation. If, however, the mediator subsequently acts as arbitrator, the process will be referred to as arbitral grievance mediation (de Kovachich et al. 1997).

In Canada, of the 1,111 current collective agreements (covering 2,193,469 employees) listed by Human Resources and Skills Development Canada's Workplace Information Directorate, 174 (652,730 employees), or 15.7 per cent, include grievance mediation clauses. Of these 174 agreements, fully

74.7 per cent, or 130 agreements covering some 602,810 employees, are from the public sector. The provinces accounting for most of the collective agreements that include grievance mediation clauses are Ontario with 39.1 per cent (68 agreements covering 213,180 employees) and Quebec with 19.5 per cent (34 agreements covering 224,930 employees).

Moreover, of the 174 agreements containing such a clause, 55.2 per cent were ratified within the education, health and social services sector (96 agreements covering 424,600 employees).

Following is a relevant excerpt from one collective agreement:

Les caisses populaires du Saguenay-Lac St-Jean and Syndicat des salariés(es) des caisses populaires du Saguenay-Lac-St-Jean (CSN), 1998–2003, 1018202.

[Translation]

Appendix "E" Pre-Arbitral Mediation

When the parties agree to submit a grievance to pre-arbitral mediation, the terms of mediation shall be included in the protocol signed by the parties to this effect.

The protocol ...

MEDIATION PROTOCOL

WHEREAS mediation is a voluntary mode of conflict and dispute resolution between two parties to an agreement;

WHEREAS mediation is intended to facilitate the settlement of these through solutions acceptable to both parties;

WHEREAS mediation involves the participation of a third party whose role it is to suggest solutions to both parties;

WHEREAS both parties wish to avail themselves of this formula, on an experimental basis and aside from the normal grievance procedure;

WHEREAS there is cause to establish rules in order to ensure a clear and coherent framework for this measure;

IT IS UNDERSTOOD THAT THE PARTIES AGREE TO RESPECT THAT WHICH FOLLOWS:

1. MEDIATION

In case a disagreement with respect to the interpretation or application of the collective agreement during its lifetime should lead to a grievance being filed, the parties agree to attempt to initially submit such disagreement in good faith to Me Jean M. Morency, in his capacity as mediator, before referring the issue to arbitration.

2. REQUEST FOR MEDIATION

The Labour Relations Committee may, in the absence of an agreement aimed at finding a solution to the issue submitted, refer said issue for mediation.

The request for mediation addressed to the mediator shall contain a brief summary of the issues and subjects pertaining to the disagreement in addition to providing the respective positions of the parties involved.

3. CONTENTS OF THE REQUEST

The request for mediation addressed to the mediator shall contain a brief summary of the issues and subjects pertaining to the disagreement in addition to providing the respective positions of the parties involved.

4. REFERRAL FOR MEDIATION

Within ten (10) business days of receipt of a request for mediation, the mediator shall set, with the parties' assent, a date and place for the hearing, followed by a written agreement to this effect.

5. MEDIATOR'S POWERS

The mediator shall have the authority to conduct the mediation in the presence of each party as well as to maintain decorum. He must listen to the parties and suggest avenues to resolution which in his view are equitable, but at no time is he empowered to impose such solutions.

At the end of the session he may submit his suggestions orally or in writing, or simply terminate the session without comment if in his opinion any further attempts at a resolution are likely to be futile and destined to failure.

6. CONFIDENTIALITY

Should mediation fail, the solutions put forth by the mediator or the admissions and propositions formulated by both parties will be deemed never to have existed and must not be brought to the attention of the arbitrator or judge called upon to adjudicate the issue.

7. END OF MEDIATION

Mediation will end:

- a) *With the conclusion of an agreement between the parties;*
- b) *With a declaration by the mediator to the effect that mediation is destined to failure;*
- c) *With a written denunciation from both parties declaring their intent to end the mediation process.*

8. EXCLUSION OF LIABILITY

In no way will the mediator be held liable for actions and omissions occurring during the mediation session and in no way will he be held accountable for the contents of mediation sessions held in his presence before any tribunal.

9. FEES AND COSTS

The parties agree to evenly cover the \$300 fee per session (maximum of three (3) hours) and to cover, in a similar fashion, the costs associated with the sessions.

3.2 Grievance Arbitration

Arbitration is the final phase in the grievance settlement process. It is called upon when all other options have failed. The parties normally attempt to avoid this phase since it implies that a third party (the arbitrator) will render a binding determination aimed at resolving the conflict. Further information on grievance arbitration may be found in the article entitled "Interest Arbitration and Arbitration Rights in Canada" (Bédard 2003).

However, the parties may agree to opt for expedited arbitration, a grievance settlement procedure that is faster and less hindered by judicial intrusion. When this type of arbitration is selected, the grievance is presented to a single arbitrator who will render the appropriate decision following concise and informal hearings with shorter deadlines at each phase of the procedure. This decision is final; its application does not in any way change any provisions of the collective agreement and deems the relevant grievance permanently resolved; in addition, the decision is made without precedent or prejudice to similar or like cases.

This type of clause is found in 175 (739,730 employees) or 15.8 per cent of the 1,111 collective agreements listed. Of these 175 agreements, 58.3 per cent are from the public sector, or 102 agreements covering 607,870 employees. The provinces with the highest incidence of this type of clause are British Columbia with 28.6 per cent (50 agreements covering 204,880 employees), Quebec with 22.9 per cent (40 agreements aimed at 151,610 employees) and Ontario with 17.7 per cent (31 agreements covering 74,210 employees).

Expedited arbitration clauses appear most often in three specific Canadian industrial sectors: the education, health and social services sector (63 agreements covering some 316,580 employees); the manufacturing sector (33 agreements for 68,080 employees); and the transportation sector (21 agreements covering 89,310 employees).

Following are relevant excerpts from collective agreements:

Treasury Board and Union of Canadian Correctional Officers, 2001–2002, 0932105

Expedited Adjudication

- a) *At the request of either party, a grievance that has been referred to adjudication may be dealt with through Expedited Adjudication with the consent of both parties.*
- b) *When the parties agree that a particular grievance will proceed through Expedited Adjudication, the Bargaining Agent will submit to the PSSRB the consent form signed by the grievor or the Bargaining Agent.*
- c) *The parties may proceed with or without an Agreed Statement of Facts. When the parties arrive at an Agreed Statement of Facts, it will be submitted to the PSSRB or to the Adjudicator at the hearing.*
- d) *No witnesses will testify.*
- e) *The Adjudicator will be appointed by the PSSRB from among its members who have had at least three years' experience as a member of the Board.*
- f) *Each Expedited Adjudication session will take place in Ottawa, unless the parties and the PSSRB otherwise agree. The cases will be scheduled jointly by the parties and the PSSRB, and will appear on the PSSRB schedule.*

- g) *The Adjudicator will make an oral determination at the hearing, which will be recorded and initialled by the representatives of the parties. This will be confirmed in a written determination to be issued by the Adjudicator within five days of the hearing. The parties may, at the request of the Adjudicator, vary the above conditions in a particular case.*
- h) *The Adjudicator's determination will be final and binding on all the parties, but will not constitute a precedent. The parties agree not to refer the determination to the Federal Court.*

Canada Post Corporation and Association of Postal Officials of Canada, 2001–2005, 0405908

Expedited Arbitration

- 16.9 *As an alternative to the formal arbitration process set out in the foregoing paragraphs, a grievance may be referred to a previously agreed-upon person who shall hear the grievance and who shall at the conclusion of the hearing, give a decision immediately. Such decisions may not be used to alter, modify or amend any part of this Agreement, and are made without precedent or prejudice to similar or like cases. Such a decision shall be final and binding upon both parties and no further action may be taken on that grievance by any means whatsoever.*

4. Access to Grievance Settlement Systems

According to Akyeampong (2003), whose report *Unionization and the Grievance System* is based on data drawn from the 1999 *Workplace and Employee Survey*,¹ 49 per cent of the sample (or 5.8 million employees) of 10.8 million employees

¹ A joint Statistics Canada and Human Resources Development Canada initiative aimed at studying the manner in which employers and their respective employees respond to the evolving competitive and technological nature of the workplace. The 1999 sample comprised 6,400 establishments accounting for some 24,000 employees. It must be noted that the *Workplace and Employee Survey* does not include the public administration, agricultural and fisheries and trapping sectors, nor does it include private households.

declare having access to a grievance settlement system in their workplaces. Of these, 28 per cent declare they are unionized or are covered by a collective agreement.

The results of this study indicate that the rate of access to grievance settlement systems is higher for unionized employees (85 per cent) than for non-unionized employees (35 per cent). Thus employees from predominantly unionized sectors such as communications and other public services (74 per cent) and education and health services (71 per cent) have the highest rates of access to grievance settlement systems. Employees from the construction (32 per cent), real estate (32 per cent) and rental and leasing services (32 per cent) have the lowest.

Similarly, professional employees (66 per cent) tend to have a higher rate of access to grievance settlement systems than employees under age 25 (32 per cent), who generally tend to be less unionized.

The positive relationship between the rate of access to grievance settlement systems and unionization in the provinces is confirmed by statistics. While the rate of access in the Atlantic Provinces, Quebec, Ontario, Manitoba, Saskatchewan and British Columbia corresponds to the national average of 49.2 per cent, Alberta, which is the province with the lowest rate of unionization is also the one with the lowest rate of access, at 45.1 per cent.

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* These collective agreements are available in full on *Negotech* (<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>).

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Innovative Workplace Practices

Bruce Aldridge
Workplace Information Directorate
Labour Program, Human Resources and Skills Development Canada

This overview of workplace innovations is based on a review of 87 collective agreement settlements negotiated during the third quarter of 2004. Of these, 37 settlements contained provisions considered to be innovative or of particular interest.

Duration

Of the 87 settlements reviewed during the quarter, slightly fewer than 50 per cent (41 collective agreements) had a duration of 36 months. Almost half of these were in the construction industry with 11 province-wide settlements in Ontario and 8 in Alberta. Five settlements had durations of 12 months. Eight settlements had durations of between 21 and 29 months while 12 had durations of between 42 and 48 months. Eight settlements had durations of between 54 and 60 months. The five Air Canada settlements reported a duration of 61 months. Five forestry settlements had durations of 72 months while the longest duration covered in this period was a 74-month settlement between Westfair Foods Ltd., Real Canadian Superstore, Western Grocers and Extra Food Divisions, province-wide, British Columbia and United Food and Commercial Workers International Union.

Compensation

Four collective agreement settlements have reported **profit-sharing** plans: two in the forest industry and two in the steel manufacturing industry. The plan between the Council on Northern Interior Forest Employment Relations, in the northern interior of British Columbia and Industrial Wood and Allied Workers of Canada is based on the industry's return on capital investment and will provide annual

lump-sum payments of \$500 with respect to years two, four, five, and six of the collective agreement and \$1,000 in year three. The plan with Canadian Forest Products Ltd., Mackenzie, British Columbia, and Pulp, Paper and Woodworkers of Canada is to be established in 2004 and is also based on the industry's return on capital.

Effective August 15, 2004, the profit-sharing plans in two settlements with Algoma Steel Inc., Sault Ste. Marie, Ontario and United Steelworkers of America provide employees with a \$10,000 advance payment, prorated for employees who work less than 1,000 hours as of August 1, 2004. The balance, if any, will be paid by March 31, 2005. Future amounts will be paid in two instalments, 50 per cent of projected profit sharing in November 2005 and the balance paid 90 days after the end of the fiscal year.

The University of British Columbia, Vancouver, British Columbia and Faculty Association of the University of British Columbia have introduced **market adjustments** for the following classifications:

- General Librarians – the minimum salary schedule is to be increased at a cost not to exceed \$50,000;
- Department of Economics – base salaries of selected faculty members will be increased in aggregate by the sum of \$150,000; and
- Commerce and Business Administration – base salaries of selected faculty members will be increased in aggregate by the sum of \$400,000.

The parties also negotiated **productivity payments** that provide for the recognition of the contributions of faculty members for the research and development in the area of fundraising activities. Lump-sum payments of up to 1.0 per cent of salary will be payable on June 30, 2006 if specified targets are achieved.

A **stock purchase** plan has been negotiated between Cooper-Standard Automotive (Canada) Limited, Stratford, Ontario and Canadian Auto Workers. For every dollar the employee contributes to the plan, the employer will contribute 25 per cent of that amount to the employee's defined contribution pension account, to a maximum of \$320 per month.

The National Gallery of Canada and the Canadian Museum of Contemporary Photography, Ottawa, Ontario and Public Service Alliance of Canada have a **service pay** provision which provides a 2.0 per cent increase on base salary to employees once every year on the employee's anniversary of hiring or promotion if the employee has not reached the maximum of scale; effective July 1, 2004, 2.5 per cent and July 1, 2005, 2.5 per cent. If in any year, the full percentage can not be applied because the employee's salary will reach the maximum, the difference will be given as a lump-sum payment.

Working Conditions

The Council of Marine Carriers, coastal region, British Columbia and Canadian Merchant Service Guild have **reduced work schedules** for the purpose of **retirement phase-in**. An officer may request to work up to half time at 60 years of age with 15 years of service; 55 years of age with 20 years of service or 50 years of age with 25 years of service. The minimum period for such an arrangement is one year. The arrangement must be mutually agreed to by the officer and the employer and it is understood that the officer may have to relinquish current posting and take another position in order to facilitate the modified hours.

Camoplast inc, Roxton Falls, Grand-Mère and Princeville, Quebec and Association des employés de Camoplast Roski have introduced a new provision on **psychological harassment** providing for the employer to adopt appropriate measures in order to prevent psychological harassment and to eliminate such behaviour when brought to the employer's attention.

CANPAR Transport Ltd., Canada-wide and United Steelworkers of America have initiated a provision whereby an employee who is off duty due to illness and is not claiming short-term disability will have the option of **using accumulated banked overtime** as of the second day of absence. Also, another new provision in the settlement states that an employee who becomes ill or injured will be allowed to **continue payment into the pension plan** while off work. For the employer contribution to be paid, the employee must make all required employee contributions which must commence within 90 days of the start of the leave and continue throughout the leave period.

Continuation of **health benefits for employees on layoff** has been negotiated between the City of Hamilton, Ontario and Canadian Union of Public Employees. The provision provides for benefit coverage for a period of 13 weeks while on layoff. In the event the layoff is deemed by the employer as temporary and exceeds 13 weeks, the employer will continue benefit coverage for the entire period of layoff. As well, the parties have established an **emergency leave** provision whereby the employee is entitled to a maximum of 10 unpaid days for personal illness, injury or medical emergency. The leave may also be used for the death, illness, medical emergency of an urgent matter concerning specified family members.

The Saskatchewan Wheat Pool, various locations in Ontario, Manitoba, Saskatchewan and British Columbia and Grain Services Union have established a **military leave** provision. Employees, with at least one year of service, shall be entitled to a maximum of two unpaid weeks per year for the purpose of

serving with the armed forces. Upon return to work, the employee shall be placed in the same or similar position with the same rate of pay as they had prior to the leave.

Job Security

A **work reassignment or leave provision during pregnancy** has been initiated by the National Research Council of Canada, Canada-wide and National Research Council Employees' Association. It provides for the possibility of a reassignment, or leave when reassignment is not possible, should an employee who is pregnant or breastfeeding consider that her work can be a danger for her future child or baby.

The Provincial Health Authorities of Alberta, Facilities and Community Care Sectors, province-wide, Alberta and United Nurses of Alberta have established a **mobility** clause. The clause provides the employer with the ability to relocate a service within 50 kilometres and have the employees move with the service; create positions that are not tied to work in a specific location and based on patients needs; create positions that are regularly scheduled to work in more than one site; and temporarily assign employees to work at other sites when required for education, orientation, meetings, equipment servicing, emergencies, etc.

A **voluntary employment buyout** option has been negotiated between Westfair Foods Ltd., Real Canadian Superstore, Western Grocers and Extra Foods, province-wide, British Columbia and United Food and Commercial Workers International Union. It provides that Food Clerk Specialists and Distribution Specialists earning \$20.00 or more per hour can request a buyout within 30 days of ratification. The buyout will be calculated based on four times the average weekly earnings for each year of service, to a maximum of \$50,000. The program will be limited to a maximum financial outlay of \$3,500,000. Full-time vacancies created as a result of the buyout option will be filled within 60 days of resignation with part-time employees wishing full-time status.

Securicor, province-wide, Ontario and International Brotherhood of Teamsters have negotiated a provision that will ensure the **stability of retirement benefits** for employees close to retirement during the change from a defined benefit pension plan to a defined contribution plan. The employer will compensate employees who are close to retirement against any lower retirement benefit entitlement that might arise from the change to a new defined contribution plan. Effective September 1, 2004, the employer will contribute, on behalf of employees who are members of the defined benefit plan and 50 years of age or older, an amount calculated as a percentage of the contribution being made for that month to the defined contribution plan based on the employee's age at the beginning of each month as follows:

Age	Percentage
50	20%
51	40%
52	60%
53	80%
54 or older	100%

Contributions will be deposited in the employee's registered retirement savings plan with the employee determining how the amount will be invested.

The parties have also negotiated a **contracting-out** provision that will allow service work and cash transfers to be performed by outside contractors within the area. The service work will not include cash loading and will only be done in a secure location. Cash transfer work may only be performed by contractors within a financial institution. Effective April 1, 2004, the employer will pay the union 25¢ per hour worked by a contractor for whom consent has been given.

Plant closure clauses have been included in three settlements for this period. The provision between Abitibi-Consolidated of Canada, various locations in Ontario, Quebec and Newfoundland and Labrador and Communications, Energy and Paperworkers Union of Canada states that in the

case of permanent closure of a paper machine, department or plant, an employee shall receive a maximum **severance benefit** of one week and a half of wages for each year of continuous service.

The Council on Northern Interior Forest Employment Relations (CONIFER) in the northern region and the Interior Forest Labour Relations Association in the southern region of British Columbia, both with the Industrial Wood and Allied Workers of Canada, have an identical clause whereby in the event of a permanent plant or logging camp closure, an employee will receive a **severance payment** equal to 10 days wages for each year of continuous service.

Labour-Management Committees

During the third quarter of 2004, 16 of the 37 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of issues.

The City of Hamilton, Ontario and Canadian Union of Public Employees have established an **employee relations** committee with a mandate to foster effective and productive communication between the parties and the promotion of constructive and harmonious relations and to reflect the recognition by the City that the staff are the City's most valuable

resource and that the effective utilization of staff is vital to achieve expected outcomes, promote a climate of mutual respect and provide for efficient and fair internal resolution of concerns and complaints.

A **pension review** committee between the Saskatchewan Wheat Pool, various locations in Ontario, Manitoba, Saskatchewan and British Columbia and Grain Services Union will address the financial viability of the pension plan. The committee will canvas all options that will assist the plan in maintaining assets that are sufficient to meet liabilities, including opening the plan to new members.

The National Gallery of Canada and the Canadian Museum of Contemporary Photography, Ottawa, Ontario and Public Service Alliance of Canada have a **pre-retirement transition** committee which will review transition programs and their potential applicability. The committee will commence their review within 15 days of the signing of the collective agreement.

Other committees included in collective agreements deal with such items as classification evaluations, health and safety, training, child care facilities and health and welfare benefits.

Innovative Workplace Practices

Previously published innovative workplace practices from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Web site at

<http://www.hrsdc.gc.ca/en/lp/wid/info.shtml>.

Labour-Management Partnerships Program

Projects

*Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada*

The Labour-Management Partnerships Program is a contribution program administered by the Federal Mediation and Conciliation Service. The Program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together.

Participants (union and employer or an association which represents both) must contribute at least 50 per cent of the total cost of the project in cash or in kind. In most projects, however, participants contribute considerably more than half of the total costs. The Program's 2004–2005 budget is \$1.6 million. Projects can run for two years and funding of up to \$100,000 is available.

Copies of final project reports are available from the parties and through the departmental library.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most projects will be published in future issues of the *Workplace Gazette*.

Alberta Congress Board and Alberta Building Trades Council and Canadian Manufacturers and Exporters

The Alberta Congress Board engages business, labour, government, education and health in a collaborative effort to achieve consensus and recommend action on issues in the workplace. The Congress Board, along with the other two applicants, is organizing a Workplace Conference entitled "Expectations at Work – What Employers and Young Workers Really Want" which will be held in Jasper, Alberta from January 6 to 9, 2005. Conference topics include youth-employer expectations; key challenges and new strategies and improvements; and best practices. Consensus seeking on key issues, linkages between organizations and strengthened relations form additional aspects of the project. This is the third conference in a series where young people, aboriginal people and persons with disabilities have been invited to participate. Visit their Web site at <http://www.congressboard.ab.ca/>.

Canadian Broadcasting Corporation and Canadian Media Guild (CMG)

This project is evaluating a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation Web site at <http://www.cbc.ca>.

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada. Visit the Association's Web site at <http://www.csa.ca>.

City of Toronto and Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues. The approach will be introduced to line managers and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations. Visit the city's Web site at <http://www.city.toronto.on.ca/>; visit the union's Web site at <http://www.torontofirefighters.org/>.

Conference Board of Canada (The)

The Conference Board, supported by the Canadian Autoworkers, is developing a handbook for employers to guide them in their employment of visible minorities. The steps in the guide include how to access this talent through to fully integrating, developing and advancing visible minorities in an employer's workforce. This handbook is part of a larger project entitled "Learning from the Best – A Program of Research and Education on Best Practices in Maximizing Talents of Visible Minorities." A primary goal of this research program is to raise awareness of the benefits of making workplaces more inclusive in response to the fact that the population of visible minorities in Canada doubled between 1986 and 1996. Visit The Conference Board Web site at <http://www.conferenceboard.ca/>.

NAV CANADA and Canadian Air Traffic Control Association

The objective of this project is to improve the parties' labour-management relationship. Using a variety of techniques such as best practices, conflict resolution workshops, skills building, and the communication of workshop results to all employees, the parties hope to increase the skills of all labour relations representatives. They also intend to introduce the advantages of collaboration in the workplace in order to build a more constructive labour relations environment and put preventative measures in place to avoid unnecessary conflict in the future. Visit the employer's Web site at <http://www.navcanada.ca/>; visit the union's Web site at <http://www.catca.ca/>.

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers – Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives. Visit Queen's University Web site at <http://www.queensu.ca>.

Threads of Life and Ontario Federation of Labour and Industrial Accident Prevention Association of Ontario

Threads of Life is a not-for-profit organization which aims to support families that have been affected by a workplace tragedy such as death or injury. The organization was launched on April 14, 2003 during a Health and Safety Conference sponsored by the Industrial Accident and Prevention Association. Families from across the country shared their experience and took the first steps towards building a national organization. In addition, employers, unions and government organizations have lent their support to the initiative. More information can be found on the group's Web site at <http://www.threadsoflife.ca>.

University of Calgary

In conjunction with a union-management steering committee, the University of Calgary is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives. Visit the University of Calgary Web site at <http://www.ucalgary.ca>.

Université de Sherbrooke

This project aims to develop a better understanding of how a union steward adapts to the new role of working in a co-operative union-management relationship. Tools will be developed to support union stewards in this process in order to ensure the long-term viability of partnerships between unions and employers. These tools will be made available to central labour bodies and unions. Visit the University Web site at <http://www.usherbrooke.ca>.

Westfair Foods Limited and United Food and Commercial Workers Union, Local 247

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures. Visit the union's Web site at <http://www.ufcw247.com/>.

*For more information, contact the Labour-Management Partnerships Program,
Federal Mediation and Conciliation Service
at (819) 997-3292 or 1-800-563-5677 or
visit their Web site at*

<http://www.hrsdc.gc.ca>, click on:

- (1) Partnership and Funding,**
- (2) Labour Partnerships.**



Labour-Management Partnerships Program

*Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada*

Alternative Dispute Resolution—A Pilot Project in Halifax Takes Off Nationally

A project funded in part by the Labour-Management Partnerships Program—Jointly sponsored by the International Union of Operating Engineers and a Halifax employer, Our Neighbourhood Living Society

The International Union of Operating Engineers knows a good thing when they see it. A couple of years ago, one of their international representatives attended a presentation about an alternative to the traditional arbitration system; in fact, a streamlined and quicker grievance resolution process. The representatives saw a lot of potential in the process and invited the consultant to a union conference. Then, working with the consultant and a Halifax employer unionized with the union, they developed a pilot project calling for a simplified grievance resolution process that could easily be applied to small and medium-sized companies and unions.

The project called for an alternative dispute resolution process initially allowing for the use of a panel of peers to resolve grievances arising from the shop floor or the parties' collective agreement. If there is no resolution, the parties have the option of going to a "Schedule 2" hearing which involves an arbitrator, an employer representative and a union representative.

The union and the employer jointly applied for funding under the Labour-Management Partnerships Program. Meeting the program criteria of encouraging effective labour-management relations in the workplace that support new ways of working, they

received contribution funding of \$100,000 (the maximum available under the program) to set up and run the project.

The Halifax employer, Our Neighbourhood Living Society, provides residential community support to young adults. Operating in seven locations, Society staff act as "seeing eye humans" to provide support with respect to jobs and living. Based on their existing good relationship with the union, the employer joined in the project, attracted by the potential for solving problems at an early stage and by the prospect of a cheaper alternative to traditional arbitration.

The group spent close to a year developing and enhancing the material to support the training of a wide variety of individuals, companies and union locals in the new procedure. Extensive research took place along with editing, feedback, meetings with labour practitioners and legal advisors from different sectors, revisions and more revisions. The aim was to obtain a balance among all those with an interest in the process, and furthermore, to ensure that concepts such as the Duty of Fair Representation were properly encompassed in the material and the process. The result was a system that is not overly technical and maintains a balance between employer and union interests.

The next step called for training in the new process. A critical element is the development of expertise which is accomplished by training participants in the skills needed to handle grievance cases. They become "peer panelists" who are crucial to this two-part grievance resolution system.

A "Schedule 1" hearing calls for two union representatives and two employer representatives (none of whom can be employed by or related to the local union leadership or the employer who has the grievance before the panel) to sit on a panel to hear the grievances. Cases are presented in a simple fashion without the involvement of an arbitrator or lawyer and without reference to case law. Decisions are final and binding, but not precedent-setting, and are usually given the same day. Four to eight cases can be heard a day, and a short written decision is typically available within 48 hours. Usual subjects for these hearings include discipline, job postings, work assignments, missed work shifts and language interpretation. In the event of a deadlock, the case may proceed to a second level of hearing or to a traditional arbitration board.

A "Schedule 2" hearing involves the use of an arbitrator from an agreed-upon list, along with an employer and union panelist, who, as in a Schedule 1 hearing, cannot be employed by or related to the local union leadership or the employer going before the panel. Once again, lawyers and case law are excluded. Hearings are short and often two to three grievances can be heard in a day. A short oral decision is given the same day and provided to the parties in written format within 48 hours.

At the second level, grievances tend to include contract language interpretation, disciplinary grievances, or any issue that does not require a precedent-setting decision. If there is a deadlock, the arbitrator makes the final decision. Two experienced arbitrators who have used the Schedule 2 process are enthusiastic about the process—they appreciate the participation of peer panelists who provide information which allows the panel to "get to the meat of

the issue." As well, the arbitrator is relieved of paper burden since all paperwork is prepared by a coordinator.

Results So Far

Training seminars have been given in many locations around the country from Nova Scotia through to British Columbia. The training has been well-received—at one Vancouver seminar more than 70 people participated. In some cases there has been as little as two weeks between the times when panelists have been trained and when they have started to use the process. Early experience with the process is showing that 90 per cent of the grievances are being dealt with at the level of a Schedule 1 panel.

In terms of subject matter for the two levels in the process, it was initially believed that more difficult subjects like dismissal or human rights grievances would likely move to a Schedule 2 panel. What is happening, however, is that as panelists become more seasoned and comfortable with the Schedule 1 process, they become more capable of taking on difficult cases at the initial stage.

As well, there are benefits at the Schedule 2 level. As an example, one panel recently heard two discharge cases in one day. The arbitrator was very impressed with the process, particularly with the idea that labour issues are being returned to the shop floor. The parties to the process were equally positive and indicated they would use the process again. Other participants at the Schedule 1 level—even those who lost their cases—have expressed enthusiasm for the process. One of the trainers suggested that in the traditional system participants often don't know what happens. It was also suggested that the use of lawyers in the arbitration process has reduced the applicants' trust in their own abilities.

With the number of cases that can be heard in one day, this system is obviously cheaper than traditional arbitration. In fact, one employer (without telling the

panel) had two similar cases, one of which went through the arbitration system and one which went through this system. The traditional approach cost about \$3,500 while the cost of the new process was about \$875. The outcome in the two cases was the same.

The training material associated with the three days of training is well-produced and very effective. Many human resources professionals find that its broad-based approach makes it a useful reference tool beyond the scope of this system. For example, some sections in the material relate to evidence, preparation and presentation—all of which can be useful for other types of human resources work. A minor critique from one training participant related to sections around legal language where it was thought that not all participants were at the same level of expertise and required a little more time to comprehend the terms. Another point related to information overload.

Final word goes to the Halifax employer partnered in the project. After helping to develop the process and undergoing the training, the employer remains positive about the project. It is believed that in the future, training could be done on an annual or semi-annual basis to enlarge staff skills and take personnel turnover into account. It also strongly believes that this is a good system for non-profit organizations. As well, the process has the potential to save employers from making big mistakes because full information is disclosed early in the process. If need be, an employer can take a graceful exit simply by acknowledging "we were wrong." The employer also indicated that it is a system which provides accountability and sustainability and reduces differences—it allows people to understand that not everyone comes from the same perspective.

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Corporate University Basics

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Introduction

North American organizations are investing ever-larger sums in the training of their workforces. In Quebec in 1999, training expenditures amounted to \$1.165 billion among companies with payrolls exceeding \$250,000. In Canada, according to a 2002 Canadian Federation of Independent Business survey, 56 per cent of the 6,700 members interviewed increased their training expenditures between 1999 and 2002. In the United States, companies with more than 100 employees budgeted over \$50 billion for training in both 2003 and 2004. Many factors explain this increase in workforce development investment, among them, the emergence of the knowledge economy, globalization and technological innovation.

Today, numerous businesses group together their professional development efforts under the umbrella of a "corporate university." This corporate approach to training has gained significantly in popularity in North America and Europe over the last decade (Meister 1998).

The goal of this article is to take stock of the corporate university approach in order to guide the decision-making process within organizations. First, the very concept of a corporate university will be defined and situated with respect to the traditional training department. The objectives, origins, and main dissemination modes and indicators of success will then be described. Finally, the case of a specific Canadian corporate university will be presented.

What Is a Corporate University?

The literature on the concept contains several informal attempts at a definition, and this article will examine the most significant of these. First, Martel (2002) suggests that a corporate university is a method of organizational change used to develop knowledge and know-how, to implement organizational and strategic changes, and to convey a corporate vision and corporate values. This first definition is consistent with that of Panczuk (2001), who states that corporate universities are a coordinated means of conveying corporate values and ethics, developing technical skills and helping executives to become leaders. Meister (1998) adds that the corporate university represents a strategic measure aimed at developing and educating a company's value chain, namely its employees, clients and suppliers, in order to reach the established strategic goals and gain a competitive advantage.

Renaud-Coulon (2001:61) states that corporate universities may be defined as "*places reserved for the use of education and economy in the service of overall performance.* [Corporate universities may then be perceived as] *strategic cells offering products and services directly geared to business threats, opportunities and projects, such as seminars and conferences, but mostly trouble-shooting groups, processing networks, communities of practice, and consulting services sometimes offered outside the company* [translation]."

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Finally, from a more practical point of view, Global Learning Resources (2002) defines the corporate university as being a function or department strategically oriented toward the integration of the personal development of individuals, as well as of their performance as members of teams and organizations, by establishing links with suppliers, conducting large-scale research, facilitating content dissemination and seeing to the creation of a superior leadership team.

Global Learning Resources also suggests classifying the corporate university within one or more of the following five categories: name only; skills-oriented; focused on leadership development; initiative-oriented; and focused on business development. The *name only* category refers to the typical "hip" training department. The *skills-oriented* category represents the foundation of every corporate university whose main objective is to help individuals develop specific skills while improving career path management within the company. At this level, the implementation of a corporate university allows for an alignment of the various training practices with the company's business strategy. The third category, *focused on leadership development*, aims to develop a company's management team. IBM's "Basic Blue for Managers" corporate program very aptly represents this category. Over 12 months, it allows new managers to develop their leadership skills as well as those necessary to efficiently take over a work team. In 2000, several thousand new managers worldwide participated in Basic Blue (Bolch 2001).

Corporate universities which are *initiative-oriented* are aimed at facilitating large-scale initiatives such as globalization, process improvement and employee accountability. For example, when the American telecommunications corporation Motorola invented the "Six Sigma" methodology to improve the quality of its production at the end of the 1980s, it called upon its corporate university in order to promote quality initiatives to its employees (Densford 1999). In Canada, the transformation of Domtar at the end

of the 1990s is another example of an initiative-oriented university (Gosselin 2002). Indeed, the cultural shift toward a more participatory management approach and an enhanced employee accountability was facilitated by the implementation of a corporate training initiative in the mid-1990s, in partnership with the Université de Sherbrooke and the University of Toronto, among others.

The last category proposed is that of corporate universities *focused on business development* whose objective is to facilitate business opportunity development. For example, a company seeking to expand into the Chinese market could use its university to prepare its employees for their new role and educate them with respect to that country's culture. Skills are an important component of successful international expansion (Hébert 2002). Trade development may also be geared toward clients and suppliers. Volvo's university, for example, puts great emphasis on keeping independent dealers up-to-date and well informed, as the company's future is strongly linked to their success (Kenyon 1998). This categorization is consistent with the one proposed by Fresina (1997), which suggests three main roles for a corporate university: to reinforce behaviour, to manage change and to support growth.

It is interesting to note that the literature consulted seems to suggest that the names chosen by the various organizations often reflect the initial orientation of the corporate university. To name just a few, in Canada there is the Bank of Montreal Institute for Learning and the Eaton School of Retailing; in the United States there is the AT&T School of Business and Technology, the Disney Institute, the Sprint University of Excellence and the Xerox Management Institute; overseas there is the AXA University, the Danone University and the Ericsson University. Prince and Allison (2003) further report that corporate universities established in small and medium enterprises (SMEs) in the United Kingdom generally adopt the generic "*Academy*" in their titles, thus indicating more modest strategic training ambitions.

In light of the many definitions found, it appears that corporate universities can be multifaceted. In an effort to integrate these various dimensions, we propose the following definition: The corporate university is defined as a company's planned, systemic and strategic effort to upgrade and develop its skills asset in response to the changes imposed by the company's business objectives following internal and external environment analyses [translation].

According to this definition, the corporate university is perceived as a strategic lever implemented and supported by upper management, its prime objective being to increase organizational effectiveness—quantitative as well as qualitative—via the development of individual and collective skills. However, the training offered by the corporate university does not replace the traditional training offered but rather complements it. Table 1 summa-

rizes the main differences between a traditional training department and a corporate university. Moreover, the training department of an organization could possess all attributes associated with a corporate university without being formally recognized as such. This situation seems to represent the reverse of the *name only* category mentioned earlier.

Objectives of the Corporate University

The existing literature on corporate training acknowledges that the primary objective of a training activity is the acquisition of knowledge and skills with a view to increase individual performance. The individual is thus the focus. However, as shown in Table 1, a corporate university's objectives are more varied. Indeed, most organizations favour corporate

Table 1
Traditional Training Department vs. Corporate University

	Traditional Training Department	Corporate University
Orientation	On the individual; isolated, one-time effort with respect to a specific performance issue	On the organization; systemic and continuous effort to facilitate the implementation of business strategies
Clientele	Employees	Employees, suppliers, clients
Targeted Skills	Job-specific	Supporting the organization's change and growth
Objective	Increased individual performance	Increased organizational performance; management of the organization's human capital; employee recruitment and retention; strategic intelligence
Responsibility	Human Resources	Management
Structure	Decentralized; activities distributed according to targeted skills	Centralized; activities integrated into a comprehensive learning strategy
Dissemination	Planned, scheduled	Not planned, continuous and "just in time"
Method	Unique approach of passed-on knowledge; frequent use of lecture style	Mixed approach based on actions; several methods used

universities since in addition to improving their competitiveness through an increase in performance, they perform several other functions. They enable the company to:

- 1) Increase the transfer of knowledge among employees through enhanced opportunities to exchange, discuss and develop ideas;
- 2) Systematize training and optimize its investments, while mitigating the education system's deficiencies;
- 3) Initiate organizational change implementation and establish a new culture; and
- 4) Develop flexibility and employability.

In a broader sense, a corporate university allows for the development of employee loyalty and the recruitment and retention of the brightest minds (Ducuing 2002; Solomon and Cohen 2002). A corporate university also acts as a catalyst by providing internal networking opportunities. In other words, it allows the company and employees to better "fight off the enemy together."¹

Finally, a corporate university's prime objective may be to change the way employees perceive learning, whereby training is no longer viewed as a formal, time-constrained effort focused on work performance, but rather as a continuous process where employees learn through formal and informal activities by exchanging best practices. The aim of the corporate university is then to develop organizational learning (Marquardt and Reynolds 1994). For example, training might help a manager realize that it is both possible and beneficial to encourage team learning (e.g. by studying the various setbacks and successes of a project) as well as to establish a culture of constant improvement (e.g. by regularly asking employees how to do better and to be constantly on the lookout for best practices in their field).

Origins of the Corporate University

The first corporate university was established in the United States in the 1950s by General Electric. To better understand post-Second World War market opportunities, CEO Ralph J. Cordiner at the time decided to establish a decentralized structure. He believed that his management teams needed to acquire new skills in order for this business decentralization to be successful. Thus "a major effort was launched to design an advanced management curriculum and build Crotonville, a campus-like setting in Ossining, New York" (Tichy 1989:100). The General Electric Management Development Institute, called "Crotonville" at the time, was born. The construction of a university-style campus, initiated by the CEO, allowed Crotonville to stand out from all other trainings offered at General Electric. Crotonville's objective was to attain a higher degree of personal and organizational effectiveness—not only at the individual level as it had been the case beforehand.

Over the following decades, and especially at the end of the 1980s, many other large companies in industrialized countries began establishing their own universities.

The term "corporate university," chosen by the various organizations to promote a serious approach to training, was meant to convey to everyone the significance of the company's efforts to implement change. Meister (1998) reported that approximately 1,600 corporate universities could be classified in one or more of the categories previously mentioned. However, a research report by Gallagher (2000:7) suggests that only 200 of them can realistically claim that their training activities represent more than what is usually done by the communications or human resources departments. As a consequence, many organizations would have a university that qualifies under the heading *name only*. The authors are aware

¹ From a conference paper presented by Philippe Collas at HEC Montréal in 2002. Mr. Collas was the Corporate Vice President of Human Resource Studies and Development at AXA University from 1995 to 2001.

of no study to date that would have been published in Canada on the breadth of this phenomenon in an organizational context.

Main Dissemination Modes

With respect to dissemination, the corporate university is not really different from traditional training. In addition to learning by doing, two approaches are emphasized: in-person learning, through seminars with a trainer (which may also be followed via satellite), and virtual learning, via information and communications technology (e.g. CD-ROM, e-learning). IBM's Basic Blue program, mentioned earlier, is based on a mixed approach that allows managers to learn online via simulators, tutorials, virtual cooperation or individual study, while not completely abandoning the traditional classroom. However, unlike traditional training, the majority of seminars in a corporate university are offered in an environment similar to a university campus, such as the famous Hamburger University of McDonald's. Located in the suburbs of Chicago, this campus covers 130,000 sq. ft. and has a permanent staff of 30 professors. Sophisticated electronic equipment allows for simultaneous communication in 22 languages. This university also operates 10 training centres worldwide.

In Canada, the Bank of Montreal Institute, located in Toronto, is considered a model institution. Each year it hosts between 5,000 and 6,000 employees for one- or two-week training sessions (*Globe and Mail* 2001). The building's unique architecture stimulates creativity, excellence and team spirit. In addition to a 150-room dormitory, the building houses a 250-seat auditorium, 12 large fully computerized classrooms, 8 simulation rooms with audiovisual equipment, as well as 20 discussion rooms for small-group exercises. This type of infrastructure conveys a strong message to employees about how seriously the company takes skill development. The bank also supports employees' self-training initiatives with the help of its

Intranet. The system allows employees to register for courses online and to link up with banking industry partners offering credited training. Finally, many organizations have established partnerships with universities. Training is given in on-campus classrooms, with or without teleconferencing.

As for trainers, corporate universities benefit as much from internal as from external resource services. Many managers are asked to participate in employee training. In cases where there is an established partnership with a college or university, that institution's faculty would teach the personalized content, whether or not it is integrated into the regular academic program. In Canada, the Eaton School of Retailing was established in 1994 through a partnership between Eaton and Ryerson Polytechnic's continuing education division. The goal was to develop and offer programs dealing with leadership to Eaton employees as well as suppliers and, possibly, to the entire retail sector.

In choosing an external partner, Meister (1998) suggests the following criteria: a shared vision where client service, innovation and continuous improvement are indicators of success, the establishment of specific learning objectives, a certain flexibility of dissemination, as well as complementary needs such as joint research or executive training program development. Finally, although the vast majority of training offered by corporate universities is for employees only, certain universities are open to the public. For example, the Motorola University offers numerous courses on quality improvement, while the Disney Institute is more focused on client service and leadership.

Key Success Factors

As with any strategic implementation within an organization, the presence of certain factors may facilitate the corporate university's success. Following are our choices.

Upper Management Participation

According to many corporate university directors, the crucial success factor is "the active participation of the CEO" (Meister 1996). This participation translates into the following behaviours:

- 1) The CEO spends a lot of time (about 1.5 days a month) cultivating the culture of learning as well as the intellectual capital of the organization. He or she participates in the various training and leadership development sessions and in new employee orientation sessions; conveys the company's history and values; and discusses the market, competition, the company's future, etc.
- 2) The CEO sets annual learning objectives for the organization. These may be expressed, for example, as the number of days each employee must spend in training, or as a percentage of the time spent preparing for a future position.
- 3) The CEO seeks out external partners to support these training efforts. He or she canvasses suppliers, clients and educational institutions to participate in training offered by the corporate university and encourages external partners to develop a learning relationship in addition to a trade relationship.
- 4) The CEO publicly acknowledges the importance of continuous learning in the success of the organization through various means of communication such as the annual report, stockholders' meeting and press coverage.

Typically, the effect of these behaviours would be proportional to the longevity of upper management's commitment—time being a crucial factor in the transformation of an ingrained organizational culture. Among other things, this sustained interest may be demonstrated by the long-term involvement of the same CEO, or by selecting executive managers who value human capital. This success factor thus rests, in public enterprises at least, with the board of directors.

Sustained Continuous Improvement

A corporate university is a place to reflect on, an organization's "anti-stagnation" strategic lever. Its staff should not thus fall into the trap of "Physician, do not heal thyself." They must always be forward thinking, fostering within their teams a culture of movement and innovation with respect to the objectives sought and with respect to skills, methods, partnerships and technology. This continuous improvement process will be facilitated if the work is performed jointly, with the organization's management, its clients and external partners.

Efficient Use of Information and Communication Technologies

It seems very clear that a corporate university's efficiency depends increasingly on a sound use of information and communication technologies. The present development of knowledge portals that support employees at all times perfectly illustrates the significant contribution of technology to learning (see Ledru 2002). However, this use of technology in human capital development activities must not leave the humans out of the equation. Too often, decision-making is solely based on technology at the expense of the humans making use of it. The results of a study conducted in a large Canadian service company underscore the important effect of individual characteristics (e.g. age, sex, perception of usefulness, and confidence in being able to adequately use the tools), organizational support (e.g. supervisor's support, time allotted for use) and technology (e.g. user-friendliness and reliability) on employees' motivation to use a computerized management and skills development system (Foucher, Morin and Trottier 2003).

Integration of Processes Linked to Knowledge and Learning

Prince and Stewart (2002) state that the success of a corporate university depends in part on its

capacity to integrate the four main organizational processes:

- 1) The knowledge management process
(e.g. does online training benefit from the Intranet and corporate databases?);
- 2) External networks and partnerships
(e.g. do internal communication mechanisms support knowledge sharing?);
- 3) The learning processes
(e.g. are questioning and continuous learning encouraged in the workplace?);
- 4) The human resource management process
(e.g. are recruitment and retention practices in line with the key skills developed through the corporate university?).

Redefining the Psychological Contract

The last, but certainly not the least significant success factor, refers to the psychological contract,

or implicit service exchange agreement, between the employee and employer, based on a relationship of respect and loyalty (Rouillard and Lemire 2003). By establishing a corporate university, we migrate from an adaptive logic of preparing for a task, where expectations are simple and can be summed up as simply reproducing the desired behaviours, to a reflexive logic² where an employee's tasks are more complex, where he or she is required to think, to continuously question and decide on the best behaviour to adopt. The employee's involvement is thus at a higher level. In return, however, the organization can no longer offer the traditional benefits such as job security. To re-establish a balanced psychological contract, the organization must rethink its offer. For example, instead of job security, it could offer security of individual skills-capital. The new psychological contract would then read: the company commits to keeping the employee's skills up-to-date (thereby maintaining their market value), and in return the employee agrees to become a key player in organizational learning.

Case of a Canadian Corporate University

About 10 years ago, a large institution within the Canadian financial sector decided to establish a corporate university:

The National Bank of Canada Corporate University

In 1995, the National Bank of Canada (NBC) began talks with higher education partners with a view to establishing a corporate university, the National Bank University Program. It was the first Quebec financial institution to implement a corporate university offering credited training specifically geared to certain positions and job clusters. The main objective of the NBC's corporate university was to stimulate the acquisition of new skills essential to the organization's growth in the newly deregulated market. Indeed, the introduction of the corporate university was a result of a change in the external environment, namely the deregulation of financial services (see Harris and Pigott 1997). At the beginning of the 1990s, in Canada as elsewhere, the government was working at reforming all laws and regulations pertaining to

² In March 2004, the continuous transformation of training logic in business was the subject of a conference organized by the Chair in Skills Management of the Université du Québec à Montréal's School of Management (www.chaire-compétences.uqam.ca) and given by Paul Bélanger, professor and member of CIRDEP (the Center for Interdisciplinary Research and Development and Advanced Studies on Lifelong Learning) (www.cirdep.uqam.ca).

financial institutions. This deregulation had the effect of increasing competition, which in turn pushed organizations to innovate, to develop new products, services and methods. Deregulation also had the effect of making the various roles and responsibilities of banking sector employees more complex. Consequently, NBC management decided that in order to ensure the company's survival and growth, its employees had to "think differently," as stated in an ad campaign at the time.

The main objective of the Program was to encourage employees to develop proactive rather than reactive behaviours with clients. It was no longer enough to meet clients' needs; they had to be offered a wide array of financial products, way beyond the traditional withdrawal or deposit. The client profile had also changed. Clients were more educated and well informed. It was therefore necessary to increase employees' knowledge in the financial field, while developing their knowledge and skills with respect to client approach and marketing. Based on this context of implementation, it seems that the NBC's corporate university falls into the *initiative-oriented* category, the main objective of which is to facilitate the company's migration from being a basic banking services provider (withdrawal, deposit, etc.) to being an integrated, global financial services provider (banking services, insurance, brokerage, etc.).

The training offered by the NBC's corporate university relies principally on two external partnerships: with the Université du Québec and its network of universities, and with the Institute of Canadian Bankers. To ensure a broader accessibility, smaller partnerships were also established with HEC Montréal, the Université de Sherbrooke and McGill University. Thus the NBC, which does not have a physical campus, uses those of its partners. A special NBC team, external to the training department, manages the program. The various types of training offered, which are all linked to present and future bank position requirements, are credited undergraduate or graduate-level courses.

This particular approach seems very appropriate given the present recognition issue of prior learning in most organizational settings. All classes taken as part of the Program are paid for by the NBC, and an internal policy allows employees to take time off work in order to study. There are several 30- or 90-credit undergraduate programs, such as the Service Administration Certificate, the Financial Planning Certificate, the Human Resource Management Certificate and the Marketing Certificate, not to mention the management, accounting, marketing, economics and finance bachelor's degrees. An employee may also obtain a bachelor's degree through the acquisition of certificates. This training is targeted at all NBC employees who do not hold a university degree. At the beginning, in 1995, about 70 per cent of the Bank's workforce had only a high school diploma. For employees with undergraduate degrees, the Program offers graduate-level training. There are many short 15-credit graduate programs, as well as 30-credit specialized and 45-credit master's programs with a wide variety of possible specializations. Participants are usually mid- to senior-level executives who have acquired a sound experience in the financial services industry.

Since its implementation during the 1990s, the National Bank University Program has provided many benefits to the institution as well as to its employees. The main one for employees is the increase in their level of employability, both internal and external, due to their increased level of credited education. For the organization, the benefits are many. First, the

Program provides it with a more competent and self-confident workforce who is able to face the new challenges of the banking industry. It also allows for an expanded educated succession pool. With regard to performance, an empirical study conducted by Morin and Renaud (2002) measured the impact of the implementation of a corporate university. The theoretical foundation for this study was based on the human capital theory. This theory proposes that in a context of training and skills development, the efforts put into training produce a higher human capital value, which in turn is converted into a better performance, ultimately leading to several desired benefits. These training investments thus increase employees' marginal production by modifying the strengths of the human capital.

In brief, this theory suggests that training offered via corporate universities offers employees the opportunity to increase their human capital, or their market value. However, the simple fact of registering in a corporate university does not automatically produce new skills. For this, an employee must complete training and enhance his or her human capital, which then translates into an increase in productivity. Morin and Renaud (2002) predicted that simply registering in a corporate university program would not lead to a better performance, but that an active participation would (i.e. successfully completing at least one course). The study's results confirmed their hypothesis: NBC employees who actively participated in the Program were more productive than those who merely registered, or those who did not register at all. These results suggest that the establishment of a corporate university can have a significant impact on the organization, through an increase in individual performance.

Conclusion

There is much evidence that a corporate university represents a significant trend rather than a temporary fad. Whether by preparing for the next succession pool or by fostering organizational learning, this strategic human capital development effort is gaining popularity in companies throughout the industrialized world. Compared with the traditional training department, the corporate university is better suited to today's world, allowing an organization to survive and prosper in an ever-evolving environment.

In these uncertain times, as noted by David Ulrich³ (1997:13), "the best companies will be those able to attract, develop and retain a qualified workforce having the insight and experience essential to business on a global scale." With a shortage of qualified workers looming over the next decades in North America, the establishment of a corporate university may prove to be a wise decision, enabling an organization to at once attract, develop and retain its key human capital.

³ David Ulrich is professor at the University of Michigan. He was quoted by Business Week magazine as one of the 10 best management and human resource management trainers in the world.

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Labour Technical Assistance Program

in Costa Rica

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In support of the Labour Program's international mandate, the Office for Inter-American Labour Cooperation has initiated a Labour Technical Assistance Program in Costa Rica. The official launch, announced in August 2004 at a press conference in San Jose, the capital of Costa Rica, was the culmination of two years of cooperation between the labour ministries of the two countries. This initiative marks a milestone in the relationship between the two countries and a reaffirmation of the Labour Program's commitment to working with developing nations to promote core labour standards and strengthen the governance capacity of governments and civil society groups.

The Labour Technical Assistance Program is part of a broader cooperative agenda within the Canada-Costa Rica Agreement on Labour Cooperation. This Agreement, which was negotiated in tandem with the bilateral free trade agreement in 2001, responds to the emphasis that the two countries give to ensuring that the benefits of free trade and economic growth are equitably distributed.

The Canada-Costa Rica Agreement on Labour Cooperation provides a framework for dealing with labour issues in the context of trade liberalization. Its two pillars are cooperation and the effective enforcement of domestic labour laws. In the Agreement, both countries commit to reflect internationally recognized core labour principles

and rights in their domestic labour legislation, and to improve governance by administering and enforcing those laws in a fair, transparent, and effective manner. In support of these commitments, the Agreement includes a set of enforceable obligations and a public communications mechanism through which concerns about a country's lack of enforcement of labour rights can be aired. It particularly encourages bilateral cooperation to promote the achievement of these objectives.

The cooperative program covers various areas identified in the Agreement by the two countries, including the strengthening of institutional capacity to address labour affairs; the modernization of labour inspectorates and conciliation and mediation services; and the strengthening of departments with jurisdiction over social security matters. These areas for cooperation are rooted in Canada's belief that the sound and effective administration of labour policies serves key social development goals, and that the achievement of these goals depends upon good governance in labour administration.

The Labour Technical Assistance Program was designed by the Canadian Labour Program and the Costa Rican Ministry of Labour, in consultation with the International Labour Organization. Since its inception in March 2003, Canada has contributed close to \$1 million in support of Costa Rica's initiatives to modernize its labour administration.

— The Office for Inter-American Labour Cooperation is a unit of the Labour Program's International and Intergovernmental Labour Affairs Directorate. The Office manages Canada's relations and activities with other countries in the Americas, including the implementation of the labour cooperation agreements with Mexico and the United States, Chile and Costa Rica.

These initiatives range from the strengthening of alternative dispute resolution systems and the modernization of labour inspection, to the delivery of an occupational health and safety awareness program in elementary schools and the promotion of social dialogue around the proposal to reform labour legislation. All of these activities aim at assisting Costa Rica's Labour Ministry to build its own institutional capacity to face the challenges and seize the opportunities of free trade. The International Labour Organization and the Canadian Centre for Occupational Health and Safety are among the organizations that have partnered with the Labour Program to implement this program.

At the heart of the co-operative program is the project called "Strengthening Governance in Costa Rican Labour Administration," which is implemented by the International Labour Organization's subregional office in Central America. The project focuses on the modernization of labour inspections practices, as well as on the strengthening of

alternative resolution mechanisms for individual and collective labour disputes. The project is also promoting social dialogue initiatives aimed at building consensus on the legislative proposal to reform the Labour Code to make judicial procedures more efficient and effective. For the next two years, the project will also include activities aimed at promoting respect for workers' rights, working conditions, and occupational health and safety, as well as on strengthening of the Labour Ministry's capacity to address and fulfill labour commitments related to free trade agreements with other countries, and particularly with Canada.

The Labour Technical Assistance Program in Costa Rica is the first initiative of its kind ever undertaken by the Labour Program. Although still in its early stages, it has all the makings of a highly successful innovation in Canada's approach to international labour affairs and will likely be replicated with other countries that sign labour cooperation agreements with Canada.



Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN and MARIE-HÉLÈNE DUPONT

Labour Law Analysis

International and Intergovernmental Labour Affairs

Labour Program, Human Resources and Skills Development Canada

British Columbia: Amendments to the *Occupational Health and Safety Regulation* under the *Workers Compensation Act*; B.C. Reg. 312/2004; British Columbia Gazette, Part II, of September 15, 2004

These amendments are the result of a review of the occupational health and safety requirements applicable to the agriculture industry with a view to consolidate these requirements into the *Occupational Health and Safety Regulation* (OHSR). This consolidation results in the repeal of the current *Regulations for Agricultural Operations* (RAO) and the *Industrial Health and Safety Regulation* which was repealed in 1998 for all industries, except agriculture.

The RAO came into effect in 1993, and were not consolidated when the OHSR came into effect in 1998. Also, the current regulations applicable to this sector were developed prior to the enactment of Part 3 of the *Workers Compensation Act*. Part 3 deals with occupational health and safety and is intended to ensure equivalent standards of protection for all workers in all sectors of industry under provincial jurisdiction.

Under the current legislative framework, agricultural workers are not provided with regulatory protection on a wide range of occupational hazards that are specifically addressed in the OHSR (e.g., repetitive and related strain injuries, most fire and explosion hazards, vibration, radiation, heat and cold stress,

lockout hazards, and hazards relating to most tools, equipment and machinery). Also, some requirements applicable to the agricultural sector provide a lower standard of protection than those contained in the OHSR.

The regulatory changes make pertinent requirements of the OHSR applicable to agriculture. In addition, many agriculture-specific requirements currently contained in the RAO are reproduced in Part 28 of the OHSR, which applies specifically to agricultural operations on farm land. Part 28 also provides for a number of modifications or exceptions for agriculture with respect to the application of certain requirements of the OHSR.

These amendments will come into force on January 1, 2005. There will be a one year period of adjustment during which a consultative approach will be taken on the requirements that are new or substantially new to the agricultural sector.

Nova Scotia: *Regulations Respecting Civil Service Disclosure of Wrongdoing* made under the *Civil Service Act*; Nova Scotia Regulations 205/2004 published in the Royal Gazette, Part II, October 1, 2004

Effective September 16, 2004, Nova Scotia adopted *Regulations Respecting Civil Service Disclosure of Wrongdoing* under the *Civil Service Act*. These new Regulations provide a procedure for the disclosure of wrongdoings in the civil service. The Regulations also protect employees from reprisals.

Disclosure of Wrongdoings

The Regulations apply to the disclosure of specified wrongdoings: a contravention to a federal or Nova Scotia Act, or of any regulations thereunder, which is related to the official activities of employees or public funds or assets; a gross mismanagement; and an act or omission causing a considerable and specific danger to the life, health or safety of a person. Lastly, the taking of a reprisal against an employee is also considered to be a wrongdoing.

A reprisal occurs when any unfavourable measure affecting the employment of a person is taken for the sole reason that the employee disclosed or expressed an intention to disclose a wrongdoing under these Regulations. This includes demotion, termination of employment and a disciplinary measure. A threat to take any of these measures is also considered to be a reprisal.

Before making a disclosure, an employee may seek advice from the Conflict of Interest Commissioner¹ who must protect the identity of the employee, unless otherwise required by law.

An employee may disclose a wrongdoing (this covers an employee who reasonably believes that he/she was asked to commit a wrongdoing, or that a wrongdoing has been committed or is about to be committed) to his/her immediate supervisor. After he/she has received a response from his/her supervisor and reasonably believes that the matter will not be correctly addressed, an employee may disclose it to his/her deputy head. The disclosure may also be made directly to the deputy head where an employee believes that it would be inappropriate to disclose the matter to his/her immediate supervisor.

Lastly, a disclosure of a wrongdoing may be made to the Ombudsman after an employee has received a response from the deputy head and reasonably believes that the matter will not be correctly addressed. A deputy head may also refer a disclo-

sure of a wrongdoing or a related report to the Ombudsman. Furthermore, a wrongdoing may be disclosed directly to the Ombudsman where an employee believes that it would be inappropriate to disclose the matter to his/her supervisor or the deputy head.

The disclosure must be in writing and include, among others, the nature, the date and a description of the wrongdoing and the name of the person(s) allegedly involved.

Exception

However, when there is not enough time to make the disclosure under the prescribed procedures and it is necessary to prevent an imminent and serious danger to the life, health or safety of a person, an employee may disclose the wrongdoing to the police department or policy agency that can address the matter.

Response to a Disclosure of Wrongdoing

A supervisor who receives a disclosure must:

- investigate the matter; and,
- within 30 days of receiving the disclosure:
 - respond in writing to the disclosing employee;
 - report in writing the disclosure, the results of the investigation to date, along with the response to the employee, to the deputy head.

A deputy head who receives a disclosure must:

- investigate the matter; and,
- within 30 days of receiving the disclosure:
 - respond in writing to the disclosing employee;

¹ The Commissioner is designated under section 26 of the *Members and Public Employees Disclosure Act*.

- report in writing the disclosure, the results of the investigation to date, along with the response to the employee, to the Commissioner².

Investigation by the Ombudsman

The Ombudsman who receives a disclosure must investigate the matter. However, he/she may decide not to investigate the matter for one of the reasons set out in the Regulations (e.g. the matter could more appropriately be dealt with according to an alternate procedure provided for under a Nova Scotia Act, regulation or policy).

Following an investigation, the Ombudsman must report his/her findings in writing and where a wrongdoing was found, he/she must make recommendations to the appropriate deputy head, and send copies to the disclosing employee and the Commissioner. He may also request notification, within a specified time, of any steps taken to give effect to the recommendations.

The deputy head who receives recommendations must respond in writing within 30 days and provide a copy of the response to the Commissioner. The deputy head must also respond to a notification request, as mentioned above, made by the Ombudsman.

Time Limitation

The disclosure of a wrongdoing must be made within 12 months of the employee becoming aware of it.

Confidentiality Obligation

Unless required by law and, in the case of the deputy head, unless he/she considers it advisable under the circumstances, a person who receives a disclosure or a report related to a disclosure under these Regulations must:

- not publicly disclose its content; and,

- to the extent possible, protect the identity of the persons involved in the disclosure process from publication.

Disciplinary Action Against Employee

Disciplinary action, including termination of employment, may be taken against an employee who commits a wrongdoing or makes a disclosure of a wrongdoing that is frivolous, vexatious or is made in bad faith. An employee may also be the subject of disciplinary action where he/she discloses a wrongdoing outside a procedure established under the Regulations, any Nova Scotia Act or when otherwise lawfully required to do so.

Prohibitions

In relation with these Regulations, a person may not:

- conceal, destroy, mutilate or alter a document or a thing relevant to an investigation;
- falsify a document or make a false document;
- direct, counsel or cause any person to take any of the above-mentioned actions;
- intentionally make a false or misleading oral or written statement;
- prevent a person from performing his/her duties under these Regulations.

In addition, the Regulations do not authorize an employee to disclose information covered by the lawyer-client privilege or revealing the content of deliberations of the Executive Council or any of its committees.

Annual Reports

The Ombudsman will submit an annual report to the Commissioner after each fiscal year. The report will include information regarding inquiries, disclosures,

² For the purpose of these Regulations, Commissioner means the Commissioner of the Public Service Commission.

investigations, recommendations and any systemic problems giving rise to wrongdoings. The Ombudsman may also include additional matters considered necessary.

On an annual basis, the Commissioner will report to the Minister responsible for the Public Service Commission. The latter will table this report in the House of Assembly.

Nova Scotia: An Act to Amend Chapter 475 of the Revised Statutes, 1989, the Trade Union Act; Bill 138, Assented to October 18, 2004

This Bill amends the *Trade Union Act* to replace the right to strike of police constables or officers and members of a police bargaining unit and the right to lock out of their employers with an interest arbitration procedure.

Where a conciliation officer has made a report to the Minister of Environment and Labour that he/she was unsuccessful in bringing about an agreement between the parties, the employer or the union must notify the other party in writing of its desire to submit the collective agreement to an interest-arbitration board composed of one person jointly selected by the parties or, if they cannot agree, appointed by the Minister. Alternatively, the parties may agree to a board of three persons composed of a representative from each party and a chair selected by them. If there is a failure to appoint a representative to the board or agree on a chair, the Minister will, on the application of one of the parties, make the appointment. The award of an interest-arbitration board is binding on all parties involved.

These amendments will come into force on a date to be announced by proclamation.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Human Resources and Skills Development Canada Web site at <http://www.hrsdc.gc.ca>, and using the A-Z index, select Developments in Labour Legislation in Canada.

Publications Concerning Labour Statutes and Regulations

Main Volume:

Canada Labour Code Part II, 292 page binder

Regulations respecting Occupational Safety and Health under Part II of the *Canada Labour Code* and the *Safety and Health Committees and Representatives Regulations*. (Also available in French)

Cat. No.: L31-85/2003E;

Cost: \$27.95

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Cost: \$8.95

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Cost: \$6.95

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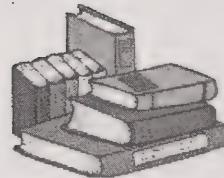
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Michèle Auger, Fred Longley and Edward Popoff
Departmental Library



Employee Retention

Browell, Sue. **Staff Retention in a Week**. 2nd ed. London: Hodder & Stoughton, 2003.
HF5549.5 R58 B76 2003

This short guide begins with a discussion of staff retention as one of the most important influences in the success of an organization, focusing on the changing nature of work and organizations and on labour market and demographic issues. It examines reasons why some employees leave an organization and some stay, and offers assessments and meas-

urements to identify the causes of staff turnover. Short- and long-term action plans for staff retention are profiled, with emphasis on the need to regularly review and assess these strategies. The book identifies who should have responsibility for employee retention and outlines their roles.

Frank, Fredric D., Richard P. Finnegan and Craig R. Taylor. "The Race For Talent: Retaining and Engaging Workers in The 21st Century." *Human Resource Planning* 27:3 (2004), pp. 12–25.

This American article provides an overview and evaluation of both traditional and recent innovative solutions to improve employee retention and engagement, and examines the

critical role of the front-line leader and emerging role of the team member in retention and engagement.

Herman, Roger E., Thomas G. Olivo and Joyce L. Gioia. **Impending Crisis**. Winchester, VA: Oakhill Press, 2003.
HD5724 H47

This book opens with an examination of economic, demographic and technology trends which will contribute to a critical shortage of skilled workers in the United States of America by 2010 as predicted by the U.S. Bureau of Labor Statistics. These converging developments include the aging of the baby boomer wave, globalization, more frequent job turnover and

longer working lives. The second half of the book presents strategic advice to employers to meet the challenge. Organizations should evaluate all the ways they function with a view to developing more efficient processes, recognizing that technology alone will not resolve the problem of too few workers. Human resource professionals should be

coached in developing an understanding of the strategy and operations of the organization to optimize their role in supporting a stable workforce. Employers must meet changing

employee needs—for example, in life-work balance. High priority should be given to in-house corporate learning.

Phillips, Jack J. and Adele O. Connell. **Managing Employee Retention: A Strategic Accountability Approach.** Amsterdam; Boston: Butterworth-Heinemann, 2003.
HF5549.5 R58 P44

This practical guide offers managers proven strategies in retaining talented employees. Employee retention will be an issue of growing significance for most job groups during the current decade. Often costs of employee turnover are underestimated and the causes inadequately identified. Solutions to reduce turnover are sometimes mismatched with the cause, with unsatisfactory results. The authors

demonstrate how to accurately cost turnover, identify its causes, and design and implement solutions targeted to specific needs. They explain how to maintain turnover within an acceptable range by developing tools to track turnover and alerts to signal when action is needed. Finally, metrics to measure the return on investment of retention solutions are provided.

Schweyer, Allan. **Talent Management Systems: Best Practices in Technology Solutions for Recruitment, Retention and Workforce Planning.** Toronto, John Wiley & Sons Canada, 2004.
HF5549 A27 S38

Talent management systems are Web-based technologies for the recruitment, selection, training and development, optimal deployment, and retention of an organization's workforce. This book describes technologies and methods which offer proven and emerging best practices in talent management. Many of the recom-

mended approaches are basic requirements for organizations of almost every size and type. As the value of organizations is based increasingly on the value of their human capital in a tightening labour market, talent management systems will be used as essential strategic tools for the creation of value from knowledge.

NOTES

1. For other available references in French language only, see the French version of the Workplace Gazette/Gazette du travail.
2. Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.

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YESTERDAY and TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources and
Development Canada

Contract Duration

Fifty Years Ago...

It was first noticed that contract duration was increasing. In fact, in 1954, close to one fifth of current collective agreements included a contract duration that was greater than 12 months. Among these 109 agreements, 75 per cent had a duration of two years and 10 per cent reported a duration of three years, the longest recorded. These longer term collective agreements were represented among all industries and regions.

It was also noticed that the longer the term of the agreement, the more likely that it would include a provision for adjusting wage rates during the life of the agreement. Also, the longer the term of the agreement, the more likely that more than one adjustment in wages was permitted, usually at the end of each year of the agreement.

For approximately 30 per cent of agreements, automatic increases or predetermined wage adjustments were included. For another 20 per cent of agreements, an open ended increase was included whereby bargaining would occur during the term of the agreement to determine the amount of the wage adjustment. Typically, at the end of the first year, notice to bargain wages was given or a wage re-opener provision would be triggered and the parties negotiated the amount of the wage increase. In some cases, the wage re-opener was allowable upon pre-determined conditions, such as fluctuations in the consumer price index or in the price of the product.

Today...

Average contract duration is approximately three years, with an average of 43.2 months in the private sector and 32 months in the public sector. During the 1999–2003 period, almost 40 per cent of private-sector agreements and almost 20 per cent of public-sector agreements reported a duration that was greater than 36 months. Collective agreements with a duration of greater than 36 months represent more than one third of agreements in the following sectors: Wholesale and Retail Trade, Transportation, Entertainment and Hospitality, Information and Culture, Manufacturing and Primary Industries.

Negotiated annual wage adjustments are included in almost all agreements. Approximately 15 per cent of agreements have cost-of-living allowance (COLA) clauses that automatically adjust wages based on a formula that is triggered by fluctuations in consumer price index. These increases can be lump-sum payment amounts or folded into general wage scales as permanent wage adjustments. COLA clauses are found mostly in the private sector manufacturing sector. Open ended increases or wage re-opener provisions represent less than 1.0 per cent of collective agreements.

For a detailed analysis of collective agreement duration, see the article on pages 26 to 37.

INFORMATION PRODUCTS AND CLIENT SERVICES

Client Services

The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: US\$400 (available by e-mail and mail).

Negotech

A searchable labour relations database providing timely information on the key aspects (settlement reports and full collective agreement contract language) of collective bargaining in Canada. Access via the Internet. Available *free* as an added value to subscribers of our publications.

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Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronologic perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

Collective Bargaining Bulletin

A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages. Also included is a list containing major settlement reports currently available on the Negotech database. **Subscription:** Canada, 1 year: \$65 or 2 years: \$110 plus 7% GST; other countries, 1 year: US\$65 or 2 years: US\$110 (available by e-mail and mail).



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